CSO Economic Trends

ARTICLES

A technical note on the treatment of the Community Charge and non-domestic rates in the National Accounts.

Research & Development in the United Kingdom in 1987.

No. 430

August 1989

Release dates of economic statistics to be published in September 1989

This is issued by the Central Statistical Office on behalf of the Government Statistical Service and other organisations as a guide to the publication dates of major economic series in September 1989. The dates are targets which are correct at time of going to press. Exceptionally, there may be delays due to unavoidable statistical problems. Enquiries about release of individual series should be made to the source named.

Publication date	Series	Method of release	Source
September			
Fri 1	Company liquidity survey (1st quarter)	British Business	CSO
Mon 4	UK official reserves (August)	PN	HMT
	Housing starts and completions (July)	PN	DOE
	House renovations (2nd quarter)	PN	DOE
	Retail sales (July-final)	PN	CSO
	Credit business (July)	PN	CSO
	Capital issues and redemptions (August)	PN	Bank of England
Wed 6	Advance energy statistics (July)	PN	Dept. of Energy
	Detailed analysis of employment, unemployment, earnings, prices and other indicators	Employment Gazette	DE
Thurs 7	CBI/FT Survey of distributive trades (August)	PN	CBI
Fri 8	Construction output (2nd quarter)	PN	DOE
Mon 11	Retail sales (August-provisional)	PN	CSO
	Producer price index numbers (August-provisional)	PN	CSO
Tue 12	International banking statistics (2nd quarter)	PN	Bank of England
Wed 13	United Kingdom National Accounts 1989 Edition (CSO Blue Book)	Annual Publication	CSO
Thurs 14	UK Balance of payments (2nd quarter)	PN	CSO
	Labour market statistics: unemployment and vacancies (August-provisional); average earnings indices (July-provisional); employment, hours, productivity and unit wage costs; industrial disputes	PN	DE
Fri 15	Usable steel production (August)	PN	BSC/BISPA
	Retail prices index and tax and price index (August)	PN	CSO
Sun 17	National Savings results (August)	PN	Dept. for National Savings
Mon 18	CBI Monthly Trends Enquiry (September)	PN	CBI
	Public sector borrowing requirement (August)	PN	HMT/CSO
Wed 20	London and Scottish banks monthly statement (August)	PN	CLSB
	Index of output of the production industries	PN	CSO
	Provisional estimates of monetary aggregates (August)	PN	Bank of England
	Construction — new orders (July-provisional)	PN	DOE
Thurs 21	Provisional figures of vehicle production (August)	PN	CSO
Fri 22	Building societies monthly figures (August)	PN	BSA
	Engineering sales and orders at current and constant prices (July)	British Business	CSO
	Gross domestic product (2nd quarter-provisional)	PN	CSO
Mon 25	Food facts (2nd quarter)	PN	MAFF
	Cyclical indicators for the UK economy (August)	PN	CSO
Tue 26	Balance of payments current account and overseas trade figures (August)	PN	CSO
Thurs 28	Energy trends (July)	PN	Dept. of Energy
	New vehicle registrations (August)	PN	DTp
	New Earnings Survey 1989, Part A Summary analyses and description of the Survey	PN + Annual publication	DE
Fri 29	London sterling certificates of deposit (August)	PN	Bank of England
	Bill turnover statistics (August)	PN	Bank of England
	Sterling commercial paper (August)	PN	Bank of England
	Monetary statistics (including bank and building society balance sheets) (August)	PN	Bank of England

PN = Press Notice

Economic Trends

No 430
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A service of statistical information and advice is provided to Government by specialist staffs employed in the statistics division of individual Departments. Statistics are made generally available through their publications and further information and advice on them can be obtained from the Department concerned.

The sources of the series published in this volume and further information about them are shown in the index. Current telephone numbers of these sources as well as general information about *Economic Trends* can be obtained from the Central Statistical Office, Great George Street, London SW1P 3AQ. Telephone: 01-270 6363/6364

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Introduction

Economic Trends brings together all the main economic indicators. It contains three regular sections of tables and charts illustrating trends in the UK economy.

'Latest developments' presents the most up-to-date statistical information available during the month. It is important to note that data included in this section may not be wholly consistent with other sections which have gone to press earlier. All data in this section are seasonally adjusted unless otherwise stated. In most cases estimates are provisional and subject to revision.

The main section is based on information available to the CSO on the data printed at the foot of this page and shows the movements of the key economic indicators. The indicators appear in tabular form on left hand pages with corresponding charts on facing right hand pages. Colour has been used to aid interpretation in some of the charts, for example by creating a background grid on those charts drawn to a logarithmic scale. Index numbers in some tables and charts are given on a common base year for convenience of comparison.

The section on cyclical indicators shows the movements of four composite indices over 20 years against a reference chronology of business cycles. The indices group together indicators which lead, coincide with and lag behind the business cycle, and a short note describes their most recent movements. The February, May, August and November issues carry further graphs showing separately the movements in all of the 27 indicators which make up the composite indices.

In addition, quarterly articles on the national accounts appear in the January, April and October issues, and on the balance of payments in the March, June, September and December issues. Occasional articles comment on and analyse economic statistics and introduce new series, new analyses and new methodology.

Economic Trends is prepared monthly by the Central Statistical Office in collaboration with the statistics divisions of Government Departments and the Bank of England.

Notes on the tables

1. The statistics relate mainly to the United Kingdom; where figures are for Great Britain only, this is shown on the table.
2. Similarly, almost all quarterly data are seasonally adjusted; those not seasonally adjusted are indicated by NSA.
3. Some data, particularly for the latest time period, are provisional and may be subject to revision in later issues.
4. Rounding may lead to inconsistencies between the sum of constituent parts and the total in some tables.
5. A line drawn across a column between two consecutive figures indicates that the figures above and below the line have been compiled on different bases and are not strictly comparable. In each case a footnote explains the difference.
6. 'Billion' denotes one thousand million.
7. There may sometimes be an inconsistency between a table and the corresponding chart, because the data may be received too late to update the chart. In such cases it should be assumed that the table is correct.
8. There is no single correct definition of *money* and there are many liquid assets which are not included in any of the UK monetary aggregates but which nevertheless need to be taken into account on occasions when interpreting monetary conditions. Consequently, many definitions of money stock are widely used:

M0 the narrowest measure consists of notes and coin in circulation outside the Bank of England and bankers' operational deposits at the Bank.

M1 consists of notes and coin in circulation with the public *plus* sterling sight deposits held with UK banks (i.e. monetary sector institutions) by the private sector only.

M2 comprises notes and coin in circulation with the public *plus* sterling retail deposits held by the UK private sector with UK banks, with building societies and in the National Savings Bank ordinary account.

M4 comprises notes and coin in circulation with the public, together with all sterling deposits (including *certificates of deposit)* held with UK banks and building societies by the rest of the private sector.

M5 is equal to *M4 plus* private sector holdings of certain money-market instruments, CTDs, and some national savings instruments.

9. Symbols used:
   - . . not available
   - — nil or less than half the final digit shown
   - + alongside a heading indicates a series for which measures of variability are given in the table on page 85
   - † indicates that the data has been revised since last edition; the period marked is the earliest in the table to have been revised
   - * average (or total) of five weeks.

The Editor would welcome readers' suggestions for improvements to Economic Trends.

Central Statistical Office, 31 August 1989

CSO Databank

Virtually all the series in *Economic Trends* and the Quarterly Articles may be obtained via the CSO Databank Magnetic Tape Service. This enables users to obtain (in computer-readable form) a much more comprehensive and up-to-date set of long run macro-economic time series data than can be included in this publication.

Details of the service offered and the schedule of changes may be obtained from the Databank Manager, CSO Branch E1, Room 52/4, Government Offices, Great George Street, London SW1P 3AQ (telephone 01-270 6386). CSO does not offer direct on-line access for these data but a list of host bureaux offering such a facility is available on request from CSO.

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Latest developments in the economy

Data available at 26 August 1989

Balance of payments

The current account for July is estimated to have been in deficit by £2,062 million compared with a deficit of £1,517 million in June. In July, exports were valued at £7,728 million and imports at £10,190 million so that the trade in goods was in deficit by £2,462 million. In the three months ended July, the current account showed a deficit of £4.9 billion compared with a deficit of £5.0 billion in the previous three months. There was a deficit on visible trade of £6.1 billion, little changed from that in the previous three months. The surplus on invisibles in the latest three months is projected at £1.2 billion.

The deficit on visible trade in July was £2,462 million compared with a deficit of £1,917 million in June. The value of exports in July was 2 per cent lower than in June; excluding oil and the erratic items, exports hardly changed between June and July. The value of imports in July was 4 per cent higher than in June; excluding oil and the erratic items, they were 4½ per cent higher than in June.

By volume, exports rose by 5½ per cent between the three months ended April and the latest three months and were 2½ per cent higher than in the same period a year earlier. Excluding oil and the erratic items, export volume rose by 4 per cent in the latest three months and was 9 per cent higher than in the same period a year ago. The underlying level of non-oil export volume is continuing to rise.

Total import volume in the latest three months was 3 per cent higher than in the previous three months and 7 per cent higher than in the same period a year earlier. Excluding oil and the erratic items, import volume was 3 per cent higher in the latest three months and 8 per cent higher than in the same period a year ago. The underlying level of non-oil import volume is continuing to rise.

Capital expenditure

The provisional estimate of capital expenditure by the manufacturing industries in the second quarter of 1989 is £3,138 million, at 1985 prices. This is over 13 per cent higher than in the previous quarter and almost 8 per cent higher than in the second quarter of 1988. This figure includes direct expenditure of £2,783 million and leased assets of £355 million.

Total investment, including leased assets, in the last 12 months is 6½ per cent up on the preceding 12 months. Over the same period there were increases of over 18 per cent for vehicles and almost 7 per cent for plant and machinery, but a decrease of over 3½ per cent for new building work. and over 20 per cent higher than in the first quarter of 1988. The volume of investment in the last twelve months (excluding leasing to manufacturers) was 19½ per cent higher than in the preceding twelve months. On the same basis, expenditure (excluding leasing) on individual assets rose by 21½ per cent for new building work, by 12 per cent for vehicles and by over 21 per cent for plant and machinery.

Consumers' expenditure

The final index of the volume of retail sales in June is 121.6 (1985 = 100). This is well below May but little changed from the average in the first five months of the year.

In April to June sales were ½ per cent more than in the previous three months and 3 per cent higher than in the same period a year earlier.

Monetary aggregates

Provisional information suggests that in the twelve months to July and before seasonal adjustment, M0 rose by 5.2 per cent, M4 by 16.7 per cent and M5 by 16.3 per cent. In July M0 rose by 1.9 per cent, M4 by 0.9 per cent and M5 by 1.0 per cent, before seasonal adjustment. After seasonal adjustment, M0 rose by 0.3 per cent, M4 by 0.6 per cent and M5 rose by 0.6 per cent.

Unemployment and vacancies

The level of unemployment in the UK decreased by 21,300 to 1.789 million in July, 6.3 per cent of the workforce. Over the past six months unemployment has fallen on average by 33,100 per month. The stock of unfilled vacancies at Jobcentres decreased by 6,500 in the month to July to 219,900. Over the past three months to July, vacancies have decreased on average by 700 per month.

Employment

New figures this month show that in second quarter the estimated number of employees in employment in manufacturing industries in Great Britain decreased by 30,000 indicating that employment in this sector is now on a downward trend following the fairly level picture seen in the previous year. Over the year to June 1989 the number of employees in manufacturing industries fell by 33,000 compared with a rise of 71,000 in the previous 12 months and a fall of 67,000 in the 12 months to June 1987.

The workforce in employment is estimated to have increased by 181,000 in the first quarter of 1989 and by 598,000 in the year to March 1989, continuing the rising trend seen for six years.

Earnings

The underlying increase in average weekly earnings in the year to June was about 9 per cent, a fall of ¼ per cent from the increase in the year to May. The actual increase in the year to June, at 9.3 per cent, was above the underlying increase as arrears in 1988 were lower than in May 1989 and some groups of workers have had more than one pay increase in the past 12 months.

In production industries, the underlying increase in average weekly earnings in the year to June was about 9 per cent, a fall

of ¼ per cent on the increase in the year to May. Within this sector, in manufacturing industries, the underlying increase in the year to June was about 9 per cent, the same as the increase in the year to May, which has also been revised downwards from 9¼ per cent. The actual increase for production industries and manufacturing industries in the year to June were, respectively, 8.8 per cent and 8.5 per cent.

Productivity

Manufacturing output per head in the three months to June was 0.6 per cent higher than in the three months ending March and 5.5 per cent higher than in the same period a year earlier. Output per head in the whole economy in the first quarter of 1989 was 0.3 per cent lower than in the previous quarter and 0.4 per cent higher than in the same period a year earlier.

Unit wage and salary costs

In the three months ending June 1989 wages and salaries per unit of output in manufacturing industries were 3.2 per cent above the corresponding period a year earlier. This increase was below the rise in average earnings in manufacturing as there was a rise of about 5½ per cent in productivity over this period.

Official reserves and exchange rate (not seasonally adjusted)

The UK official reserves rose by $34 million in July to $43,631 million. The reserves were reduced by repayments of borrowing under the exchange cover scheme amounting to $204 million. There was no new borrowing under the exchange cover scheme. Proceeds from the tenth tender of UK ECU Treasury Bills amounted to $861 million, whereas maturing UK ECU Treasury Bills were $862 million. After taking account of foreign currency borrowing and repayments and the valuation change, the underlying change in the reserves during July was a rise of $67 million.

The average Exchange Rate Index rose from 91.1 in June to 92.2 in July, a fall of 1.2 per cent.

Prices (not seasonally adjusted)

The general index of retail prices for all items for 18 July 1989 was 115.5 (January 13 1987=100). This represents an increase of 0.1 per cent on June and an increase of 8.2 per cent since July 1988. Between June and July prices increased for a range of items, including non-seasonal foods and alcoholic drinks. There were, however, some price reductions for seasonal foods, clothing and footwear - reflecting summer sales - and petrol. The Tax and Price Index (TPI) for July 1989 was 111.1 (January 1987 = 100) an increase over the previous 12 months of 8.5 per cent.

The price index for materials and fuel purchased by manufacturing industry rose by 3.9 per cent in the twelve months to July following an increase of 5.1 per cent in the twelve months to June. From June to July the index was down 1.2 per cent - there were falls in prices of metals, other imported non-food materials and petroleum products. The seasonally adjusted index fell by 0.9 per cent between June and July.

Stockbuilding

Provisional figures indicate that the level of stocks held by manufacturers, wholesalers and retailers rose by £466 million, at 1985 prices, in the second quarter of 1989. Retailers and wholesalers stocks rose by £281 million and £93 million respectively in this period. Manufacturers' stocks rose by £92 million.

Within manufacturing stocks of finished goods decreased by £39 million and stocks of materials, stores and fuel increased by £61 million. Stocks of work in progress rose by £70 million.

1 Selected monthly indicators

	Volume of retail sales (GB)+ (1985=100)[1]	Index of output of production industries (1985=100)	Unemployed (thousands)	Vacancies at job centres (thousands)	Average earnings - whole economy (GB) (1985=100)	Producer price index of materials and fuel (1985=100)	Retail prices index (all items) (January 1987=100) (NSA)	Tax and price index (January 1987=100) (NSA)	Sterling exchange rate index (1985=100) (NSA)	UK official reserves ($ million) (NSA)	Balance of payments: current balance (£ million)	Money stock M4 (£ million)
	FAAM	DVIM	BCJD	DPCB	DNAB	DZDQ	CHAW	DQAB	AJHV	AIPI	AIMF	AUYN
1988 Mar	117.2*	108.5†	2 453.9	249.4	124.0	96.0	104.1	102.3	95.3	47 519	-745†	315 724
Apr	117.8	109.4	2 402.9	255.9	124.4	96.9	105.8	101.4	97.2	47 857	-844	319 199†
May	119.0	109.9	2 363.8	254.5	124.2	96.9	106.2	101.9	97.6	48 533	-1 030	321 174
Jun	119.0*	110.5	2 324.1	255.1	125.1	100.1	106.6	102.3	95.3	48 519	-907	327 415
Jul	120.7	110.5	2 287.3	249.7	126.9	100.5	106.7	102.4	94.7	49 826	-1 812	334 736
Aug	120.4	111.9	2 225.6	242.8	126.6	99.8	107.9	103.7	96.1	50 639	-889	338 711
Sep	119.5*	111.2	2 191.7	240.3	127.6	99.3	108.4	104.3	94.8	50 482	-709	346 104
Oct	121.0	110.6	2 157.9	251.2	129.5	99.0	109.5	105.4	95.7	50 048	-2 334	349 046
Nov	120.7	111.3	2 105.2	245.2	130.7	99.7	110.0	106.0	96.6	51 040	-1 583	350 830
Dec	121.1*	110.4	2 037.4	238.3	134.3	100.3	110.3	106.3	97.7	51 685	-1 448	358 001
1989 Jan	119.5	109.1	1 987.8	229.2	133.3	101.1	111.0	107.1	97.9	51 705	-1 667	360 440
Feb	122.1	109.0	1 948.7	228.1	133.8	101.0	111.8	108.0	97.3	51 683	-1 836	367 175
Mar	122.6*	109.2	1 916.6	222.9	134.9	102.9	112.3	108.5	95.9	46 931	-1 338	373 837
Apr	120.9	109.2	1 858.0	222.1	135.7	104.6	114.3	109.8	95.4	47 256	-1 775	377 192
May	124.5	107.9	1 835.8	218.2	136.1†	105.3†	115.0	110.5	94.3	46 087	-1 340	380 655
Jun	121.6*	108.0	1 810.3†	226.4	136.7	105.1	115.4	110.9	91.1	43 665	-1 517	389 884
Jul	120.9	..	1 789.0	219.9†	..	104.2	115.5†	111.1†	92.3†	43 631†	-2 062	..
Percentage change, latest three months on previous three months												
1988 Mar	*2.3*	*-*	*-4.8*	*-3.9*	*2.2*	*-0.2*	*0.5*	*0.6*	*0.8*			
Apr	*1.8*	*-*	*-4.6*	*-2.1*	*2.1*	*0.7*	*1.2*	*0.4*	*1.8*			
May	*1.7*	*1.1*	*-4.7*	*0.6*	*2.1*	*1.1*	*1.9*	*0.3*	*4.1*			
Jun	*1.4*	*1.3*	*-4.9*	*2.1*	*1.5*	*2.4*	*2.4*	*-*	*3.5*			
Jul	*1.9*	*1.8*	*-5.3*	*0.6*	*1.5*	*3.1*	*1.9*	*0.4*	*1.0*			
Aug	*1.7*	*1.3*	*-5.6*	*-1.6*	*1.5*	*3.7*	*1.6*	*0.9*	*-1.4*			
Sep	*1.2*	*1.1*	*-5.7*	*-4.3*	*1.9*	*1.9*	*1.4*	*1.6*	*-1.6*			
Oct	*0.6*	*0.6*	*-5.5*	*-3.3*	*2.0*	*0.2*	*2.0*	*2.2*	*-0.3*			
Nov	*0.3*	*0.5*	*-5.3*	*-1.5*	*2.5*	*-0.8*	*2.1*	*2.4*	*0.3*			
Dec	*0.7*	*-0.1*	*-5.7*	*0.3*	*3.5*	*-0.2*	*2.1*	*2.4*	*1.5*			
1989 Jan	*0.2*	*-0.3†*	*-6.8*	*-2.9*	*3.8*	*1.0*	*1.7*	*1.9*	*2.0*			
Feb	*0.5*	*-1.1*	*-7.5*	*-5.6*	*3.5*	*1.5*	*1.6*	*1.8*	*2.0*			
Mar	*0.4*	*-1.1*	*-7.1*	*-7.4*	*1.9*	*2.0*	*1.6*	*1.9*	*0.4*			
Apr	*1.2*	*-0.9*	*-6.6*	*-5.6*	*1.5*	*2.5*	*2.1*	*2.2*	*-1.2*			
May	*1.4*	*-0.7*	*-6.1*	*-4.7*	*1.3*	*3.4*	*2.6*	*2.3*	*-2.5*			
Jun	*0.6†*	*-0.8*	*-6.0*	*-2.0*	*1.6†*	*3.3†*	*2.9*	*2.3*	*-3.5*			
Jul	..	..	*-5.0†*	*-1.3†*	..	*2.0*	*2.2†*	*1.9†*	*-3.8†*			
Percentage change, latest three months on corresponding period of previous year												
1988 Mar	*8.4*	*3.9*	*-17.4*	*16.8*	*8.8*	*1.9*	*3.4*	*1.4*	*7.8*			
Apr	*7.0*	*3.1*	*-17.8*	*16.3*	*8.9*	*2.1*	*3.6*	*1.5*	*7.6*			
May	*7.6*	*3.6*	*-18.1*	*13.7*	*8.7*	*2.4*	*3.9*	*1.8*	*7.4*			
Jun	*7.0*	*4.0*	*-18.5*	*11.8*	*8.2*	*3.3*	*4.3*	*2.1*	*6.9*			
Jul	*7.5*	*4.2*	*-18.8*	*8.4*	*8.0*	*3.8*	*4.5*	*2.4*	*5.8*			
Aug	*6.8*	*4.0*	*-19.2*	*5.8*	*8.1*	*4.0*	*5.0*	*3.0*	*5.6*			
Sep	*6.4*	*3.8*	*-19.4*	*2.1*	*8.3*	*3.5*	*5.5*	*3.4*	*5.2*			
Oct	*6.1*	*3.4*	*-19.3*	*-1.0*	*8.5*	*3.0*	*6.0*	*4.0*	*5.3*			
Nov	*5.8*	*3.4*	*-19.2*	*-4.3*	*8.7*	*3.3*	*6.2*	*4.3*	*4.2*			
Dec	*5.8*	*2.4*	*-19.6*	*-5.8*	*9.5*	*3.9*	*6.5*	*4.6*	*4.2*			
1989 Jan	*4.8*	*2.0†*	*-20.3*	*-7.5*	*9.7*	*5.1*	*6.9*	*5.0*	*4.5*			
Feb	*4.2*	*1.7*	*-21.1*	*-7.9*	*9.9*	*5.5*	*7.3*	*5.5*	*5.1*			
Mar	*3.9*	*1.3*	*-21.5*	*-9.3*	*9.2*	*6.2*	*7.7*	*5.9*	*3.9*			
Apr	*3.9*	*1.1*	*-22.0*	*-10.8*	*9.1*	*6.9*	*7.9*	*6.8*	*1.4*			
May	*4.0*	*-0.1*	*-22.3*	*-12.7*	*9.0*	*7.9*	*8.1*	*7.6*	*-1.6*			
Jun	*3.0†*	*-0.9*	*-22.4*	*-12.9*	*9.3†*	*7.2†*	*8.2*	*8.4*	*-3.2*			
Jul	..	..	*-21.9†*	*-12.5†*	..	*5.7*	*8.3†*	*8.4†*	*-3.4†*			

1 The Retail Sales Index has been rebased to take account of the 1986 Retail Inquiry, and has also been re-referenced onto 1985=100. An article describing the rebasing of the Index was published in *British Business* on 19 May 1989.

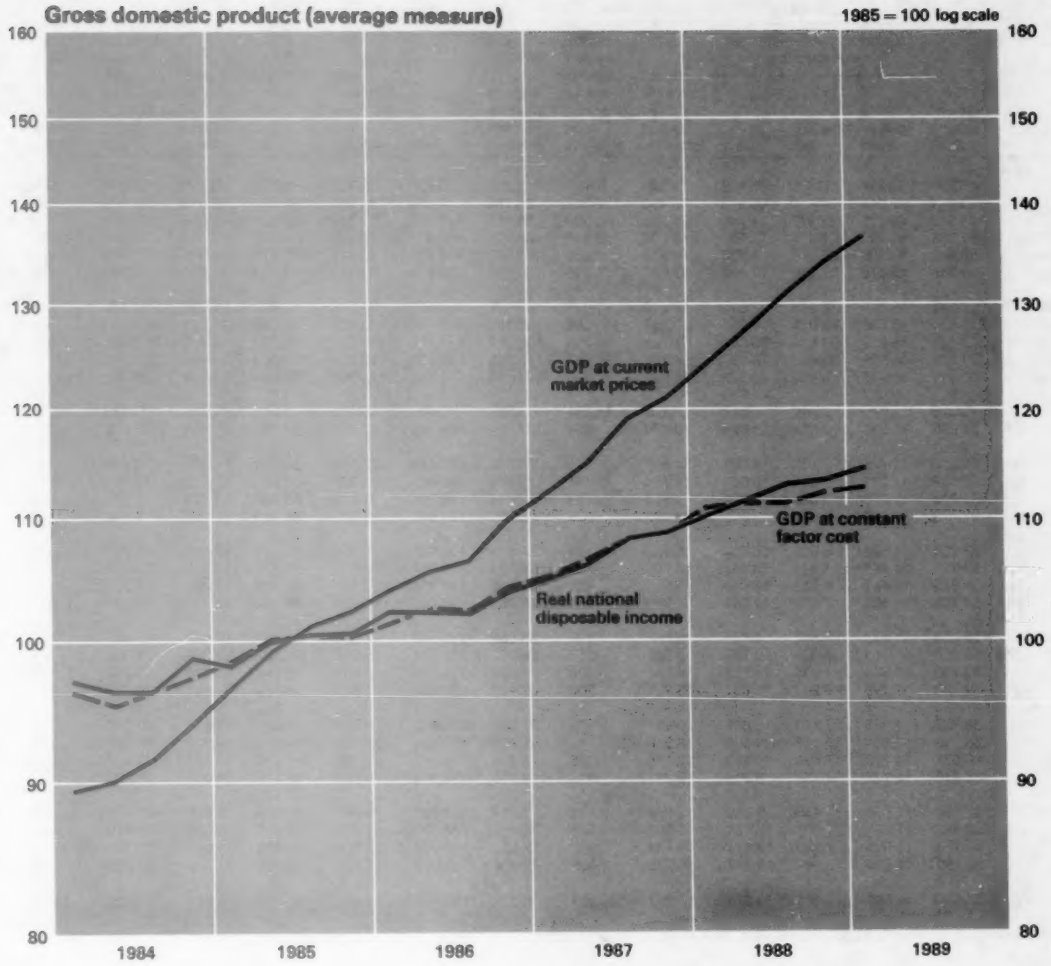
Sources: Department of Trade and Industry; Department of Employment; Central Statistical Office; Bank of England

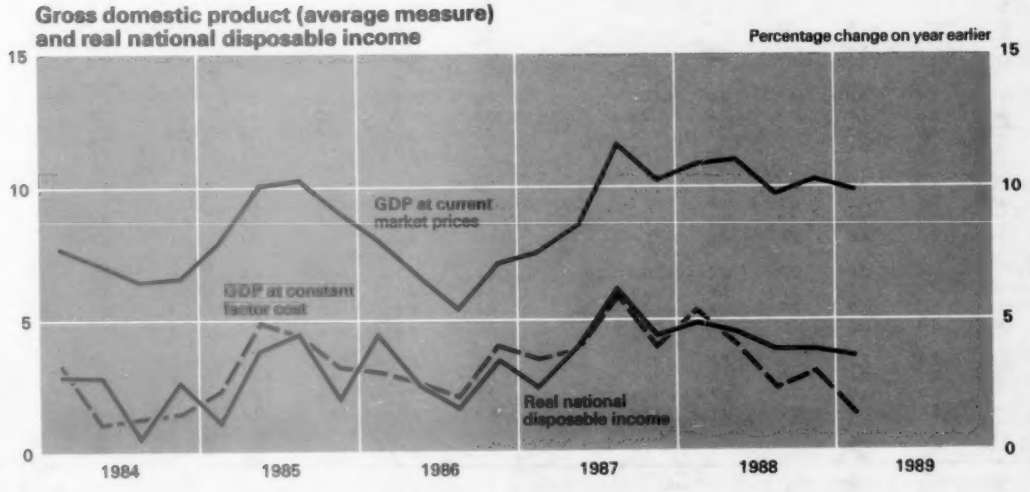
2 National accounts aggregates

	Gross domestic product									Gross national disposable income: average estimate at 1985 market prices[3] (1985=100)	Implied gross domestic product deflators based on expenditure data	
	At current prices				At 1985 prices							
	At market prices		At factor cost			At factor cost						
	Average estimate (£ mn)	Average estimate[1] (1985=100)	Expenditure-based estimate (£ mn)	Income-based estimate (£ mn)	Average estimate at market prices (1985=100)	Average estimate (1985=100)	Expenditure-based estimate (1985=100)	Income-based estimate[2] (1985=100)	Output-based estimate (1985=100)		At market prices (1985=100)	At factor cost[4] (1985=100)
	CAOB	DJCL	DJAE	DJAL	FNAO	DJDD	DJDE	DIAR	DSAE	DJCR	DJDT	DJCM
1979	197 415	55.7	172 108	171 696	93.0	92.8	92.8	92.3	92.9	91.5	59.9	61.0
1980	230 671	65.1	200 453	199 377	90.8	90.7	91.1	90.3	90.2	90.0	71.7	72.3
1981	253 914	71.6	218 736	217 716	89.6	89.7	90.3	89.5	89.0	89.6	79.9	79.7
1982	277 973	78.4	236 951	238 025	91.2	91.3	91.4	91.5	90.9	91.2	86.0	85.2
1983	302 982	85.5	260 027	260 925	94.5	94.7	95.0	95.0	94.0	95.0	90.4	90.0
1984	324 077	91.4	277 981	278 175	96.6	96.4	96.2	95.9	97.0	97.2	94.6	94.9
1985	354 454	100.0	304 437	305 429	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
1986	378 584	106.8	322 247	322 015	103.2	103.0	103.3	102.9	102.9	103.1	103.5	102.5
1987	414 761	117.0	352 200	352 294	107.9	107.5	107.5	107.2	107.8	107.5	108.4	107.6
1988	458 381	129.3	384 468	390 871	111.8	111.5	110.3	111.7	112.6	112.1	115.6	114.5
			DJBA	DJBE								
1984 Q4	83 430	94.2	72 028	72 004	97.6	97.4	97.5	97.1	97.6	98.8	96.5	97.1
1985 Q1	85 756	96.8	74 103	73 782	98.7	98.6	98.8	98.1	98.9	98.3	98.0	98.5
Q2	87 912	99.2	75 792	75 761	100.0	100.2	100.3	99.9	100.4	100.1	99.2	99.3
Q3	89 756	101.3	77 023	77 262	100.6	100.6	100.8	100.8	100.1	100.7	100.7	100.4
Q4	91 030	102.7	77 519	78 624	100.6	100.6	100.1	101.2	100.6	100.8	102.1	101.8
1986 Q1	92 579	104.5	79 216	79 480	101.8	101.7	101.9	101.9	101.3	102.7	102.7	102.2
Q2	93 837	105.9	80 209	80 076	103.0	102.9	103.5	102.9	102.3	102.7	102.8	101.9
Q3	94 605	106.8	80 013	79 909	103.1	102.8	102.8	102.3	103.4	102.5	103.5	102.3
Q4	97 563	110.1	82 809	82 550	105.0	104.7	105.0	104.3	104.8	104.3	104.8	103.6
1987 Q1	99 580	112.4	85 126	84 359	105.6	105.4	105.9	104.6	105.6	105.3	106.4	105.6
Q2	101 899	115.0	86 494	87 178	107.3	107.0	106.7	107.2	107.0	106.8	107.2	106.5
Q3	105 647	119.2	89 979	89 511	109.3	108.8	109.3	108.4	108.8	108.8	109.1	108.1
Q4	107 635	121.5	90 601	91 246	109.5	108.9	108.1	108.5	110.0	109.0	110.9	110.1
1988 Q1	110 433	124.6	92 830	95 208	111.1	111.1	109.7	112.1	111.4	110.4	112.2	111.2
Q2	113 229	127.8	95 645	96 134	111.7	111.4	111.0	111.2	111.9	111.6	114.4	113.2
Q3	115 981	130.9	96 241	98 902	111.7	111.4	109.2	111.9	113.3	113.1	117.2	115.8
Q4	118 738	134.0	99 752	100 627	112.8	112.3	111.2	111.8	113.9	113.3	118.8	117.9
1989 Q1	121 317	136.9	101 504	104 124	113.1	112.7	110.7	113.2	114.1	114.5	121.1	120.5
Q2	..	..	..	..	..	..	..	..	113.7[†]	..	..	..
Percentage change, quarter on corresponding quarter of previous year[5]												
1984 Q3	*6.5*	*6.5*	*5.6*	*6.4*	*1.8*	*1.3*	*0.4*	*1.2*	*2.2*	*0.6*	*4.6*	*5.1*
Q4	*6.6*	*6.6*	*7.3*	*6.6*	*1.8*	*1.5*	*1.5*	*0.9*	*2.1*	*2.7*	*4.7*	*5.7*
1985 Q1	*7.9*	*7.9*	*8.4*	*8.7*	*2.5*	*2.3*	*2.4*	*2.7*	*2.0*	*1.2*	*5.3*	*5.8*
Q2	*10.1*	*10.1*	*11.2*	*11.0*	*4.2*	*4.9*	*5.6*	*5.4*	*3.9*	*3.9*	*5.7*	*5.3*
Q3	*10.3*	*10.3*	*10.9*	*10.2*	*4.3*	*4.5*	*5.3*	*4.6*	*3.6*	*4.5*	*5.8*	*5.4*
Q4	*9.1*	*9.1*	*7.6*	*9.2*	*3.1*	*3.3*	*2.7*	*4.2*	*3.0*	*2.0*	*5.8*	*4.8*
1986 Q1	*8.0*	*8.0*	*6.9*	*7.7*	*3.1*	*3.1*	*3.1*	*3.9*	*2.4*	*4.5*	*4.7*	*3.7*
Q2	*6.7*	*6.7*	*5.8*	*5.7*	*3.0*	*2.7*	*3.1*	*3.0*	*2.0*	*2.6*	*3.6*	*2.6*
Q3	*5.4*	*5.4*	*3.9*	*3.4*	*2.5*	*2.2*	*2.0*	*1.5*	*3.2*	*1.7*	*2.8*	*1.9*
Q4	*7.2*	*7.2*	*6.8*	*5.0*	*4.4*	*4.1*	*4.9*	*3.1*	*4.2*	*3.5*	*2.7*	*1.8*
1987 Q1	*7.6*	*7.6*	*7.5*	*6.1*	*3.8*	*3.6*	*3.9*	*2.6*	*4.3*	*2.5*	*3.7*	*3.4*
Q2	*8.6*	*8.6*	*7.8*	*8.9*	*4.1*	*3.9*	*3.1*	*4.1*	*4.6*	*4.0*	*4.3*	*4.6*
Q3	*11.7*	*11.7*	*12.5*	*12.0*	*6.0*	*5.9*	*6.4*	*6.0*	*5.2*	*6.2*	*5.4*	*5.7*
Q4	*10.3*	*10.3*	*9.4*	*10.5*	*4.3*	*4.0*	*3.0*	*4.0*	*5.0*	*4.4*	*5.8*	*6.3*
1988 Q1	*10.9*	*10.9*	*9.1*	*12.9*	*5.3*	*5.4*	*3.6*	*7.2*	*5.5*	*4.9*	*5.4*	*5.3*
Q2	*11.1*	*11.1*	*10.6*	*10.3*	*4.1*	*4.1*	*4.1*	*3.8*	*4.6*	*4.6*	*6.7*	*6.3*
Q3	*9.8*	*9.8*	*7.0*	*10.5*	*2.2*	*2.4*	*-0.1*	*3.2*	*4.2*	*3.9*	*7.4*	*7.1*
Q4	*10.3*	*10.3*	*10.1*	*10.3*	*3.0*	*3.1*	*2.8*	*3.0*	*3.6*	*3.9*	*7.1*	*7.1*
1989 Q1	*9.9*	*9.9*	*9.3*	*9.4*	*1.7*	*1.4*	*1.0*	*1.0*	*2.4*	*3.7*	*8.0*	*8.3*

1 "Money GDP".
2 Income data deflated by the implied GDP deflator at factor cost based on expenditure data.
3 Also known as Real national disposable income (RNDI).
4 Also known as the Index of total home costs.
5 These estimates of change are based in some cases on less rounded figures than in the table.

Source: Central Statistical Office


Gross domestic product (average measure)
1985 = 100 log scale
160
150
140
130
120
110
100
90
80
GDP at current market prices
GDP at constant factor cost
Real national disposable income
1984
1985
1986
1987
1988
1989


Gross domestic product (average measure) and real national disposable income
Percentage change on year earlier
15
10
5
0
GDP at current market prices
GDP at constant factor cost
Real national disposable income
1984
1985
1986
1987
1988
1989

3 Gross domestic product: by category of expenditure[1]

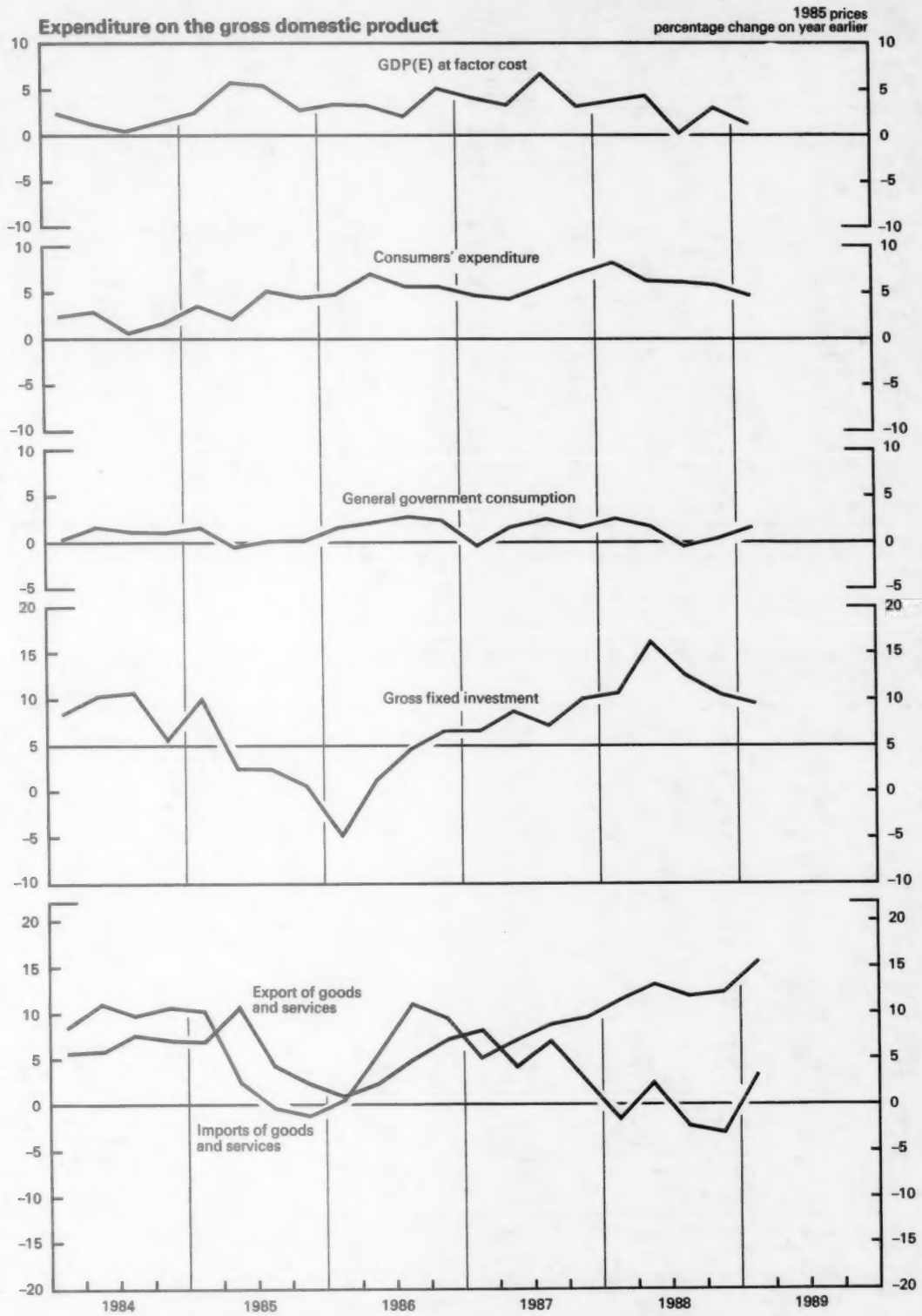
£ million, 1985 prices

	At market prices														
	Final expenditure on goods and services														
		General government final consumption													
	Consumers' expenditure	Central government	Local authorities	Total	Gross domestic fixed capital formation	Value of physical increase in stocks and work in progress	Exports of goods and services	Total	less Imports of goods and services	Gross domestic product (expenditure based)	less Factor cost adjustment	Gross domestic product (expenditure based) at factor cost	Statistical discrepancy (expenditure adjustment)	Gross domestic product (average estimate) at factor cost[2]
	CCBH	DJDK	DJDL	DJCZ	DFDM	DHBK	DJCV	DJDA	DJCY	DJCX	DJCU	DJCW	GIXS	CAOP
1979	193 794	42 519	27 410	69 943	56 450	3 325	88 789	412 902	84 019	328 864	46 610	282 322	459	282 782
1980	193 806	43 775	27 272	71 050	53 416	-3 357	88 963	403 713	81 185	322 501	45 305	277 238	-744	276 495
1981	193 832	44 195	27 074	71 269	48 298	-3 191	88 205	397 812	78 922	318 852	44 246	274 614	-1 153	273 462
1982	195 561	44 509	27 318	71 826	50 915	-1 289	89 000	405 733	82 847	322 870	44 895	277 989	429	278 420
1983	204 316	45 370	27 912	73 282	53 476	1 306	91 092	423 474	88 119	335 355	46 390	288 965	-262	288 703
1984	207 927	45 755	28 142	73 897	58 075	1 072	97 029	438 000	96 687	341 313	48 514	292 799	1 110	293 909
1985	215 535	45 936	28 019	73 955	60 283	569	102 782	453 124	99 166	353 958	49 521	304 437	496	304 933
1986	227 723	46 803	28 598	75 401	61 282	715	106 607	471 728	105 521	366 207	51 770	314 437	-259	314 178
1987	239 732	46 529	29 668	76 197	66 173	882	112 355	495 339	113 370	381 969	54 663	327 306	536	327 842
1988	255 018	46 630	29 982	76 612	74 277	1 896	111 140	518 943	126 954	391 989	56 309	335 680	4 454	340 134
	CAAB	DIAV	DIAW	DIAT	DECU	DGBA	DJDG	DIAU	DJDJ	DJDI	DIAS	DJDH		
1983 Q4	51 636	11 350	7 049	18 399	13 929	284	23 437	107 685	22 856	84 829	11 758	73 073	131	73 204
1984 Q1	51 512	11 194	7 103	18 297	14 406	341	23 858	108 414	23 100	85 314	11 886	73 428	28	73 456
Q2	52 159	11 573	7 028	18 601	14 404	-184	23 669	108 649	24 068	84 581	12 278	72 303	488	72 791
Q3	51 778	11 390	7 036	18 426	14 570	89	24 431	109 294	24 289	85 005	12 129	72 876	516	73 392
Q4	52 478	11 598	6 975	18 573	14 695	826	25 071	111 643	25 230	86 413	12 221	74 192	78	74 270
1985 Q1	53 239	11 556	6 978	18 534	15 832	-194	25 510	112 921	25 408	87 513	12 310	75 203	-35	75 168
Q2	53 225	11 406	7 041	18 447	14 756	603	26 171	113 202	24 626	88 576	12 243	76 333	56	76 389
Q3	54 315	11 468	6 942	18 410	14 917	318	25 448	113 408	24 199	89 209	12 491	76 718	-49	76 669
Q4	54 756	11 506	7 058	18 564	14 778	-158	25 653	113 593	24 933	88 660	12 477	76 183	524	76 707
1986 Q1	55 764	11 677	7 112	18 789	15 044	393	25 750	115 740	25 537	90 203	12 658	77 545	-27	77 518
Q2	56 870	11 763	7 035	18 798	14 924	217	26 737	117 546	25 954	91 592	12 856	78 736	-284	78 452
Q3	57 309	11 655	7 208	18 863	15 583	-404	26 698	118 049	26 801	91 248	13 016	78 232	152	78 384
Q4	57 780	11 708	7 243	18 951	15 731	509	27 422	120 393	27 229	93 164	13 240	79 924	-100	79 824
1987 Q1	58 226	11 335	7 313	18 648	15 997	-86	27 831	120 616	26 784	93 832	13 246	80 586	-269	80 317
Q2	59 218	11 634	7 433	19 067	16 210	148	27 821	122 464	27 752	94 712	13 507	81 205	337	81 542
Q3	60 578	11 773	7 490	19 263	16 675	1 155	28 544	126 215	29 100	97 115	13 893	83 222	-246	82 976
Q4	61 710	11 787	7 432	19 219	17 291	-335	28 159	126 044	29 734	96 310	14 017	82 293	714	83 007
1988 Q1	62 850	11 574	7 485	19 059	17 666	71	27 417	127 063	29 794	97 269	13 814	83 455	1 212	84 667
Q2	62 842	11 681	7 501	19 182	18 802	573	28 496	129 895	31 319	98 576	14 066	84 510	399	84 909
Q3	64 176	11 595	7 529	19 124	18 734	-257	27 921	129 698	32 520	97 178	14 063	83 115	1 845	84 960
Q4	65 150	11 780	7 467	19 247	19 075	1 509	27 306	132 287	33 321	98 966	14 366	84 600	998	85 598
1989 Q1	65 533	11 839	7 485	19 324	19 312	468	28 322	132 959	34 389	98 570	14 311	84 259	1 629	85 888
Percentage change, quarter on corresponding quarter of previous year														
1983 Q4	*3.7*	*1.6*	*1.4*	*1.5*	*6.2*		*4.5*	*5.6*	*12.5*	*3.9*	*3.2*	*4.0*		*4.2*
1984 Q1	*2.3*	*-1.0*	*2.0*	*0.1*	*8.3*		*5.7*	*3.6*	*8.1*	*2.4*	*3.2*	*2.3*		*3.3*
Q2	*2.8*	*1.6*	*0.7*	*1.3*	*10.2*		*5.8*	*3.7*	*10.8*	*1.8*	*6.3*	*1.1*		*1.2*
Q3	*0.4*	*0.7*	*1.6*	*1.0*	*10.6*		*7.6*	*2.8*	*9.6*	*1.0*	*4.9*	*0.4*		*1.3*
Q4	*1.6*	*2.2*	*-1.0*	*0.9*	*5.5*		*7.0*	*3.7*	*10.4*	*1.9*	*4.0*	*1.5*		*1.5*
1985 Q1	*3.4*	*3.2*	*-1.8*	*1.3*	*9.9*		*6.9*	*4.2*	*10.0*	*2.6*	*3.6*	*2.4*		*2.3*
Q2	*2.0*	*-1.4*	*0.2*	*-0.8*	*2.4*		*10.6*	*4.2*	*2.3*	*4.7*	*-0.3*	*5.6*		*4.9*
Q3	*4.9*	*0.7*	*-1.3*	*-0.1*	*2.4*		*4.2*	*3.8*	*-0.4*	*4.9*	*3.0*	*5.3*		*4.5*
Q4	*4.3*	*-0.8*	*1.2*	*-*	*0.6*		*2.3*	*1.7*	*-1.2*	*2.6*	*2.1*	*2.7*		*3.3*
1986 Q1	*4.7*	*1.0*	*1.9*	*1.4*	*-5.0*		*0.9*	*2.5*	*0.5*	*3.1*	*2.8*	*3.1*		*3.1*
Q2	*6.8*	*3.1*	*-0.1*	*1.9*	*1.1*		*2.2*	*3.8*	*5.4*	*3.4*	*5.0*	*3.1*		*2.7*
Q3	*5.5*	*1.6*	*3.8*	*2.5*	*4.5*		*4.9*	*4.1*	*10.8*	*2.3*	*4.2*	*2.0*		*2.2*
Q4	*5.5*	*1.8*	*2.6*	*2.1*	*6.4*		*6.9*	*6.0*	*9.2*	*5.1*	*6.1*	*4.9*		*4.1*
1987 Q1	*4.4*	*-2.9*	*2.8*	*-0.8*	*6.3*		*8.1*	*4.2*	*4.9*	*4.0*	*4.6*	*3.9*		*3.6*
Q2	*4.1*	*-1.1*	*5.7*	*1.4*	*8.6*		*4.1*	*4.2*	*6.9*	*3.4*	*5.1*	*3.1*		*3.9*
Q3	*5.7*	*1.0*	*3.9*	*2.1*	*7.0*		*6.9*	*6.9*	*8.6*	*6.4*	*6.7*	*6.4*		*5.9*
Q4	*6.8*	*0.7*	*2.8*	*1.4*	*9.9*		*2.7*	*4.7*	*9.2*	*3.4*	*5.9*	*3.0*		*4.0*
1988 Q1	*7.9*	*2.1*	*2.4*	*2.2*	*10.4*		*-1.5*	*5.3*	*11.2*	*3.7*	*4.3*	*3.6*		*5.4*
Q2	*6.1*	*0.4*	*0.9*	*0.6*	*16.0*		*2.4*	*6.1*	*12.9*	*4.1*	*4.1*	*4.1*		*4.1*
Q3	*5.9*	*-1.5*	*0.5*	*-0.7*	*12.3*		*-2.2*	*2.8*	*11.8*	*0.1*	*1.2*	*-0.1*		*2.4*
Q4	*5.6*	*-0.1*	*0.5*	*0.1*	*10.3*		*-3.0*	*5.0*	*12.1*	*2.8*	*2.5*	*2.8*		*3.1*
1989 Q1	*4.3*	*2.3*	*-*	*1.4*	*9.3*		*3.3*	*4.6*	*15.4*	*1.3*	*3.6*	*1.0*		*1.4*

1 For years up to and including 1982, totals differ from the sum of the components because of the method used to rebase on 1985 prices.

2 Average estimates are made in seasonally adjusted form only. No equivalent unadjusted estimates exist.

Source: Central Statistical Office


Expenditure on the gross domestic product
1985 prices
percentage change on year earlier
GDP(E) at factor cost
Consumers' expenditure
General government consumption
Gross fixed investment
Export of goods and services
Imports of goods and services
1984
1985
1986
1987
1988
1989

4 Personal disposable income and consumption

	£ million, current prices					£ million, 1985 prices		
	Personal income before tax							
	Total[1]	of which: Wages, salaries and forces' pay	Total personal disposable income[2]	Consumers' expenditure	Personal saving ratio[3] (percentage)+	Real personal disposable income[4] +	Real consumers' expenditure	Real personal disposable income at 1985 prices (1985=100)
	AIIQ	AIJB	AIIW	AIIX	AIIZ	CFAH	CAAB	CFAF
1985	302 254	168 566	238 804	215 535	*9.7*	238 804	215 535	100.0
1986	325 777	182 666	256 940	237 369	*7.6*	246 499	227 723	103.2
1987	349 786	198 682	275 684	259 326	*5.9*	254 854	239 732	106.7
1988	385 719	221 761	303 401	289 840	*4.5*	266 950	255 018	111.8
1985 Q2	74 891	41 652	59 277	52 948	*10.7*	59 586	53 225	99.8
Q3	76 404	42 690	60 157	54 567	*9.3*	59 877	54 315	100.3
Q4	77 706	43 369	61 472	55 642	*9.5*	60 491	54 756	101.3
1986 Q1	79 440	44 362	62 458	57 340	*8.2*	60 739	55 764	101.7
Q2	80 927	45 315	63 950	58 853	*8.0*	61 792	56 870	103.5
Q3	81 763	46 042	64 687	60 017	*7.2*	61 765	57 309	103.5
Q4	83 647	46 947	65 845	61 159	*7.1*	62 203	57 780	104.2
1987 Q1	85 031	47 590	66 754	62 272	*6.7*	62 412	58 226	104.5
Q2	86 322	48 904	68 195	63 497	*6.9*	63 594	59 218	106.5
Q3	87 707	50 226	69 130	65 772	*4.9*	63 665	60 578	106.6
Q4	90 726	51 962	71 605	67 785	*5.3*	65 183	61 710	109.2
1988 Q1	93 544	53 467	73 358	69 916	*4.7*	65 941	62 850	110.5
Q2	94 477	54 572	74 876	71 010	*5.2*	66 261	62 842	111.0
Q3	96 320	55 872	75 677	73 500	*2.9*	66 076	64 176	110.7
Q4	101 378	57 850	79 490	75 414	*5.1*	68 672	65 150	115.0
1989 Q1	103 351	59 091	81 046	76 938	*5.1*	69 032	65 533	115.6

1 Before providing for depreciation and stock appreciation.
2 Before providing for depreciation, stock appreciation and additions to tax reserves.
3 Personal savings as a percentage of personal disposable income.
4 Personal disposable income revalued by the implied consumers' expenditure deflator (1985 = 100).

Source: Central Statistical Office

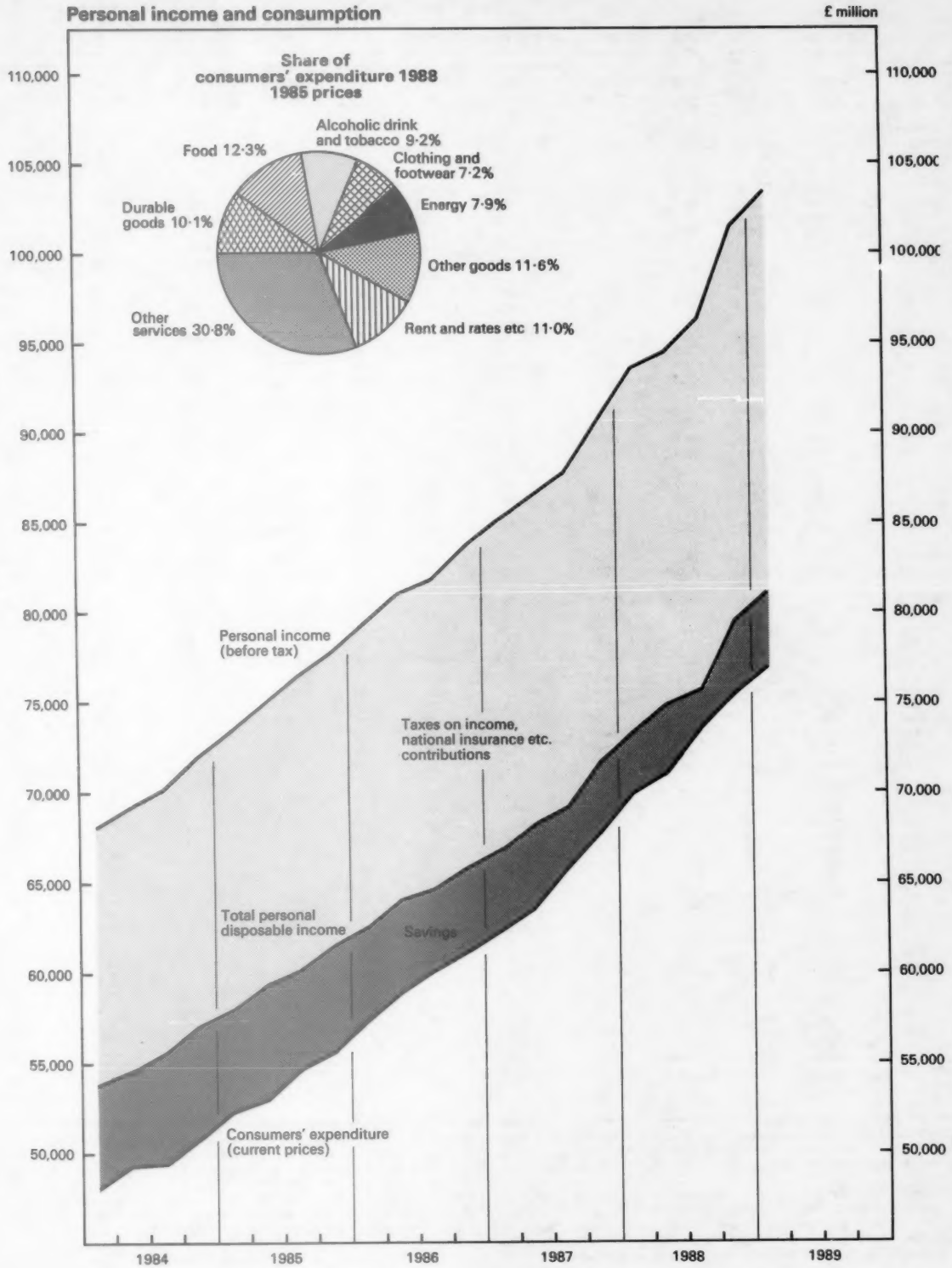
5 Real consumers' expenditure - component categories

£ million, 1985 prices

	Durable goods	Food	Alcoholic drink and tobacco	Clothing and footwear	Energy products	Other goods	Rent, rates and water charges	Other services[1]	Total
	CCBW	CCCA	FCCD	FCCE	CCCG	CCCM	CCCN	CCCJ	CAAB
1985	20 433	30 064	22 657	15 005	18 629	23 257	26 922	58 568	215 535
1986	22 206	31 225	22 512	16 319	19 360	24 800	27 269	64 032	227 723
1987	23 516	31 330	22 790	17 477	19 652	26 960	27 633	70 354	239 732
1988	25 856	31 452	23 295	18 334	20 222	29 435	28 002	78 422	255 018
1984 Q4	4 970	7 377	5 619	3 571	4 479	5 639	6 678	14 145	52 478
1985 Q1	5 029	7 422	5 667	3 694	4 573	5 683	6 699	14 472	53 239
Q2	5 008	7 498	5 639	3 756	4 626	5 768	6 720	14 210	53 225
Q3	5 228	7 581	5 646	3 779	4 724	5 864	6 740	14 753	54 315
Q4	5 168	7 563	5 705	3 776	4 706	5 942	6 763	15 133	54 756
1986 Q1	5 284	7 756	5 595	3 978	4 829	5 973	6 784	15 565	55 764
Q2	5 587	7 831	5 647	4 046	4 884	6 111	6 806	15 958	56 870
Q3	5 682	7 845	5 626	4 125	4 860	6 293	6 828	16 050	57 309
Q4	5 653	7 793	5 644	4 170	4 787	6 423	6 851	16 459	57 780
1987 Q1	5 574	7 674	5 610	4 174	4 878	6 484	6 874	16 958	58 226
Q2	5 816	7 779	5 706	4 324	4 804	6 678	6 896	17 215	59 218
Q3	6 077	7 952	5 723	4 444	4 891	6 864	6 920	17 707	60 578
Q4	6 049	7 925	5 751	4 535	5 079	6 954	6 943	18 474	61 710
1988 Q1	6 286	8 018	5 855	4 511	4 933	7 194	6 966	19 087	62 850
Q2	6 272	7 820	5 775	4 530	4 928	7 214	6 989	19 314	62 842
Q3	6 759	7 794	5 825	4 642	5 113	7 408	7 012	19 623	64 176
Q4	6 539	7 820	5 840	4 651	5 248	7 619	7 035	20 398	65 150
1989 Q1	6 643	7 883	5 886	4 593	4 827	7 785	7 060	20 856	65 533

1 Including the adjustments for international travel, etc. and final expenditure by private non-profit-making bodies.

Source: Central Statistical Office


Personal income and consumption
£ million
Share of consumers' expenditure 1988 1985 prices
Alcoholic drink and tobacco 9·2%
Food 12·3%
Clothing and footwear 7·2%
Energy 7·9%
Durable goods 10·1%
Other goods 11·6%
Other services 30·8%
Rent and rates etc 11·0%
110,000
105,000
100,000
95,000
90,000
85,000
80,000
75,000
70,000
65,000
60,000
55,000
50,000
Personal income (before tax)
Taxes on income, national insurance etc. contributions
Total personal disposable income
Savings
Consumers' expenditure (current prices)
1984
1985
1986
1987
1988
1989

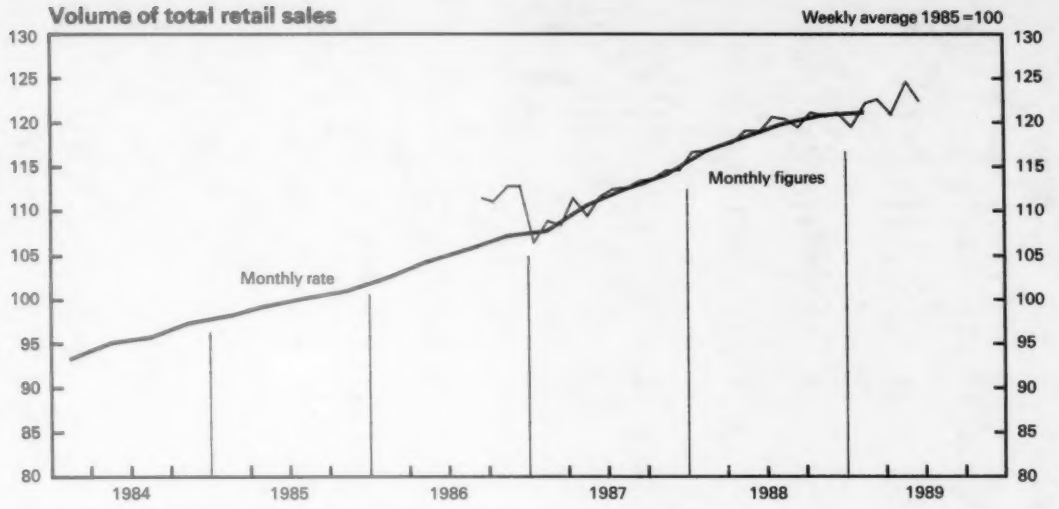
6 Retail sales, new registrations of cars and credit business (Great Britain)

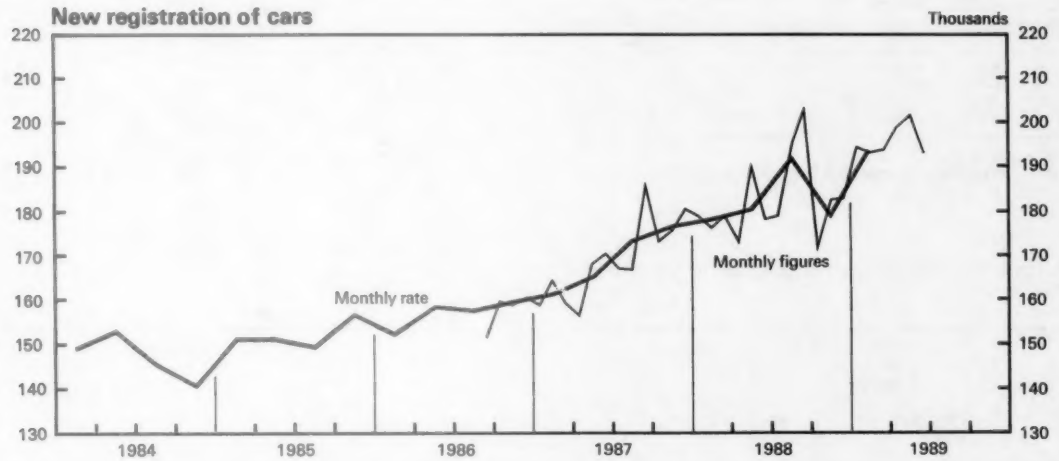
	Value of retail sales per week: total (average 1985=100)[1]	Volume of retail sales per week (average 1985=100)[1]						New registrations of cars+ (monthly average, thousands)	Consumer credit: change in total outstanding (£ million)	Credit business: changes in amounts outstanding[2] (£ million)	
		Total	Food retailers	Mixed retail businesses	Clothing and footwear retailers	Household goods retailers	Other non-food retailers			Agreements with consumers	Agreements with businesses
Sales in 1985 £ million	*87 920*	*87 920*	*32 986*	*15 865*	*8 677*	*14 717*	*15 675*				
	FAAL	FAAM	FAAN	FAAO	FAAP	FAAQ	FAAR	DKBY	-AIKM	FSBN	FSBO
1984	91.7	95.5	96.6	95.90	92	93	98	147.2	3 097	1 551	748
1985	100.0	100.0	100.0	100.00	100	100	100	152.2	3 820	2 309	442
1986	108.8	105.3	103.4	105.00	109	111	102	157.0	4 501	2 385	822
1987	118.3	111.5	107.4	111.80	119	121	107	168.9	5 969	3 867	1 221
1988	130.4	119.2	112.9	118.60	127	135	114	182.4	6 269	4 035	1 906
1985 Q3	101.3	100.7	100.5	100.5	101	101	101	149.8	1 030	656	157
Q4	102.8	101.3	101.1	100.3	103	103	100	156.8	982	696	-13
1986 Q1	105.2	102.9	102.6	102.5	106	104	101	152.2	1 035	784	308
Q2	107.8	104.8	102.9	104.1	109	111	101	158.5	1 105	330	82
Q3	110.1	106.0	103.4	106.7	110	113	103	157.5	1 431	770	223
Q4	112.3	107.8	104.9	107.1	112	116	103	159.8	930	501†	209
1987 Q1	113.5	108.0	105.2	108.5	113	115	104	160.8	1 182	957	136
Q2	117.1	110.9	107.1	110.5	117	121	106	164.8	1 615	1 066	402
Q3	119.9	112.9	108.4	112.6	121	124	108	173.4	1 519	792	374
Q4	122.6	114.3	108.9	115.4	124	125	109	176.5	1 653	1 052	309
1988 Q1	126.1	117.0	111.0	117.0	125	131	112	178.1	1 470	965	387
Q2	129.1	118.7	113.2	117.2	126	133	114	180.4	1 567	1 105	426
Q3	132.1	120.1	113.7	119.1	129	137	114	192.1	2 126	1 092	519
Q4	134.5	121.0	113.5	121.2	130	137	116	179.2	1 106	873	574
1989 Q1	136.4	121.5	114.0	121.4	129	139	116	193.9	1 403	807	593
Q2	139.2†	122.3†	118.0†	117.2†	129†	137†	118†	197.8	..	1 000	522
1987 Feb	114.6	109.0	104.9	110.2	115	118	105	164.4	..	311	52
Mar	113.9*	108.3*	105.0*	108.8*	112*	118*	104*	159.0	..	332	43
Apr	117.8	111.7	107.0	112.9	121	119	108	156.1	..	407	113
May	115.5	109.3	105.8	108.7	114	120	105	168.0	..	329	137
Jun	117.9*	111.6*	108.3*	110.1*	117*	123*	106*	170.2	..	330	152
Jul	119.1	112.5	108.9	113.4	121	121	107	167.0	..	296	82
Aug	119.8	112.8	108.0	111.1	123	124	109	166.9	..	189	157
Sep	120.6*	113.3*	108.4*	113.2*	120*	126*	108*	186.3	..	307	135
Oct	121.5	113.7	108.5	115.5	124	124	108	173.2	..	424	21
Nov	122.7	114.5	108.7	116.3	123	126	109	175.9	..	329	179
Dec	123.3*	114.7*	109.4*	114.6*	123*	126*	110*	180.4	..	299	109
1988 Jan	125.6	116.8	110.5	117.3	124	130	113	179.2	..	264	92
Feb	125.9	116.9	111.1	116.2	126	131	112	176.2	..	311	140
Mar	126.6*	117.2*	111.2*	117.2*	125*	133*	111*	178.9	..	390	155
Apr	127.6	117.8	112.2	116.4	124	131	115	172.3	..	313	124
May	129.5	119.0	112.7	117.1	129	134	115	190.6	..	363	165
Jun	129.9*	119.0*	114.4*	117.8*	125*	133*	113*	178.2	..	429	137
Jul	132.1	120.7	114.8	119.5	128	139	113	178.9	..	345	195
Aug	132.3	120.4	113.4	119.2	128	138	115	194.4	..	471	217
Sep	131.9*	119.5*	113.2*	118.7*	129*	135*	114*	203.0	..	276	107
Oct	134.1	121.0	113.6	121.0	129	139	115	171.6	..	186	160
Nov	134.3	120.7	112.9	121.3	130	136	117	182.8	..	392	335
Dec	135.0*	121.1*	114.0*	121.4*	129*	137*	116*	183.1	..	295	79
1989 Jan	133.8	119.5	110.2	119.7	127	138	117	194.5	..	226	205
Feb	136.9	122.1	115.9	121.6	128	140	116	193.3	..	251	215
Mar	138.0*	122.6*	115.6*	122.6*	131*	140*	117*	193.8	..	330	173
Apr	137.0	120.9	116.7	115.0	126	140	115	198.8	..	313	268
May	141.7	124.5	117.7	121.1	137	140	121	201.4	..	505	176
Jun	138.8†	121.6*	119.3†	115.9†	125†	134†	118†	193.3	..	182†	78
Jul	..	120.9	..	..	..	..	..	..	..	..	..

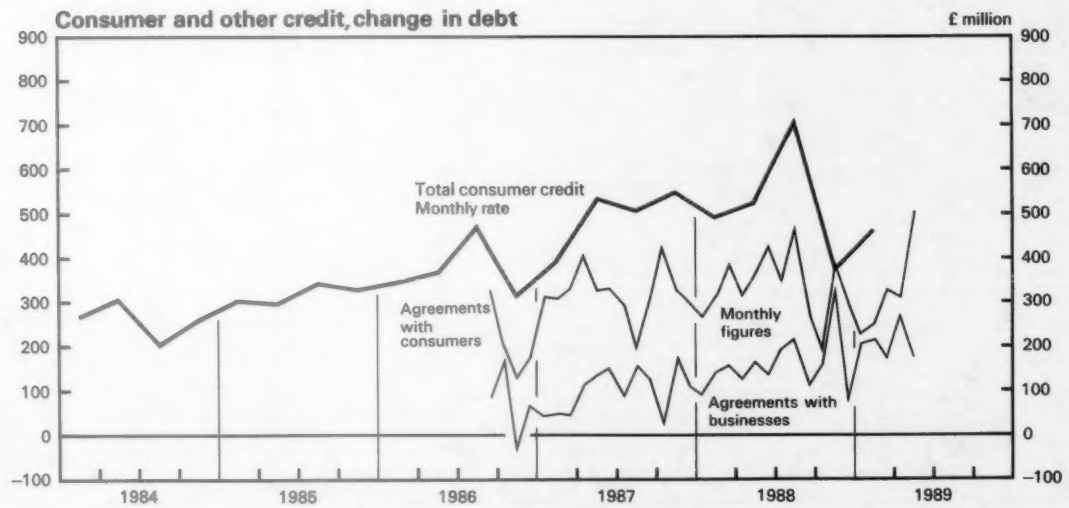
1 The Retail Sales Index has been rebased to take account of the 1986 Retail Inquiry, and has also been re-referenced onto 1985=100. An article describing the rebasing of the Index was published in *British Business* on 19 May 1989.

2 Changes in amounts outstanding to finance houses, other specialist credit grantors, selected kinds of retailers and on bank credit cards. Unsecured loans by building societies permitted under the terms of the *Building Societies Act 1986* are included from the beginning of 1987. Loans by retailers, building societies and on bank credit cards are all treated as consumer agreements. There is a break at the end of 1985. Before this, loans on bank credit cards and agreements block discounted with finance houses and other specialist credit grantors were excluded. Loans to consumers by finance houses and other specialist credit grantors covered agreements regulated under the *Consumer Credit Act 1974* and loans to business covered other agreements. There is a break after October 1988 in the series for consumers. This is the result of a change in recording practice relating to bank credit cards.

Sources: Department of Trade and Industry; Department of Transport


Volume of total retail sales
Weekly average 1985 =100
130
125
120
115
110
105
100
95
90
85
80
Monthly rate
Monthly figures
1984
1985
1986
1987
1988
1989


New registration of cars
Thousands
220
210
200
190
180
170
160
150
140
130
Monthly rate
Monthly figures
1984
1985
1986
1987
1988
1989


Consumer and other credit, change in debt
£ million
900
800
700
600
500
400
300
200
100
0
–100
Total consumer credit
Monthly rate
Agreements with consumers
Monthly figures
Agreements with businesses
1984
1985
1986
1987
1988
1989

7 Gross domestic product and shares of income and expenditure

	Gross domestic product at current factor cost		Total final expenditure (current market prices) (£ mn)	Percentage share of total final expenditure						Percentage share of gross domestic product (income-based)				
						Gross fixed investment					Gross trading profits[1]			
	Expenditure-based (£ mn)	Income-based (£ mn)		Consumers' expenditure	General government consumption	General government	Public corporations	Private sector	Exports	Income from employment	Companies	Other[2]	Income from self-employment[1]	Other income[3]
	DJBA	DJBE	DIAB	FBBD	FBBE	FBBF	FBBG	FBBH	FBBI	FBBJ	FBBK	FBBL	FBBM	FBBN
1984	277 981	278 175	416 010	47.5	16.8	1.5	1.8	9.9	22.2	64.8	14.6	2.9	9.6	8.1
1985	304 437	305 429	453 124	47.8	16.3	1.5	1.3	10.6	22.7	63.7	16.6	2.4	9.3	8.0
1986	322 247	322 015	480 393	49.4	16.8	1.5	1.1	10.8	20.5	65.1	14.6	2.5	9.6	8.1
1987	352 200	352 294	526 264	49.3	16.3	1.3	0.8	11.7	20.4	64.3	16.4	1.8	9.5	7.9
1988	384 468	390 871	578 061	50.1	15.8	1.0	0.8	13.2	18.6	64.3	16.9	1.8	9.3	7.7
													FBBO	
1985 Q2	75 792	75 761	112 958	46.9	16.2	1.5	1.3	10.2	23.7	63.5	16.8	2.4	17.3	
Q3	77 023	77 262	113 518	48.1	16.3	1.5	1.2	10.5	22.1	63.7	16.1	2.9	17.2	
Q4	77 519	78 624	114 383	48.6	16.5	1.5	1.1	10.5	21.8	63.6	16.7	2.4	17.3	
1986 Q1	79 216	79 480	117 303	48.9	16.6	1.5	1.2	10.5	20.9	64.2	15.5	2.7	18.0	
Q2	80 209	80 076	118 766	49.6	16.6	1.5	1.2	10.5	20.4	65.0	14.7	2.7	17.7	
Q3	80 013	79 909	119 950	50.0	16.7	1.4	1.1	11.1	20.1	66.1	13.6	2.3	18.0	
Q4	82 809	82 550	124 374	49.2	16.4	1.4	1.1	10.9	20.6	65.1	14.7	2.3	17.8	
1987 Q1	85 126	84 359	126 211	49.3	16.3	1.4	1.0	11.1	20.9	64.5	15.9	1.9	18.0	
Q2	86 494	87 178	129 100	49.2	16.3	1.3	0.7	11.8	20.6	64.0	16.7	1.7	17.5	
Q3	89 979	89 511	135 052	48.7	16.2	1.2	0.9	11.7	20.5	64.0	16.9	1.8	17.3	
Q4	90 601	91 246	135 901	49.9	16.3	1.3	0.8	12.2	19.7	64.8	16.1	1.9	17.2	
1988 Q1	92 830	95 208	138 095	50.6	15.9	1.3	0.9	12.4	18.7	63.8	17.6	1.7	17.2	
Q2	95 645	96 134	143 414	49.5	15.8	1.1	0.8	13.4	18.9	64.4	16.6	1.8	17.1	
Q3	96 241	98 902	146 185	50.3	15.9	0.8	0.8	13.6	18.9	64.1	17.2	1.8	16.9	
Q4	99 752	100 627	150 367	50.2	15.8	0.8	0.7	13.3	18.0	65.1	16.2	1.8	17.0	
1989 Q1	101 504	104 124	153 550	50.1	15.5	1.3	0.8	12.8	18.9	64.3	17.1	1.9	16.7	

1 After providing for stock appreciation.
2 Gross trading surplus of public corporations and general government enterprises.
3 Rent income, and imputed charge for consumption of non-trading capital.

Source: Central Statistical Office

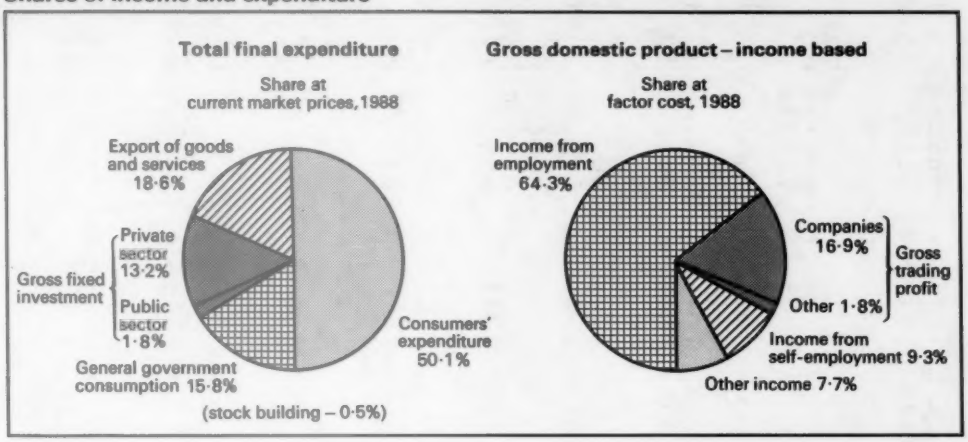
8 Income, product and spending per head

£

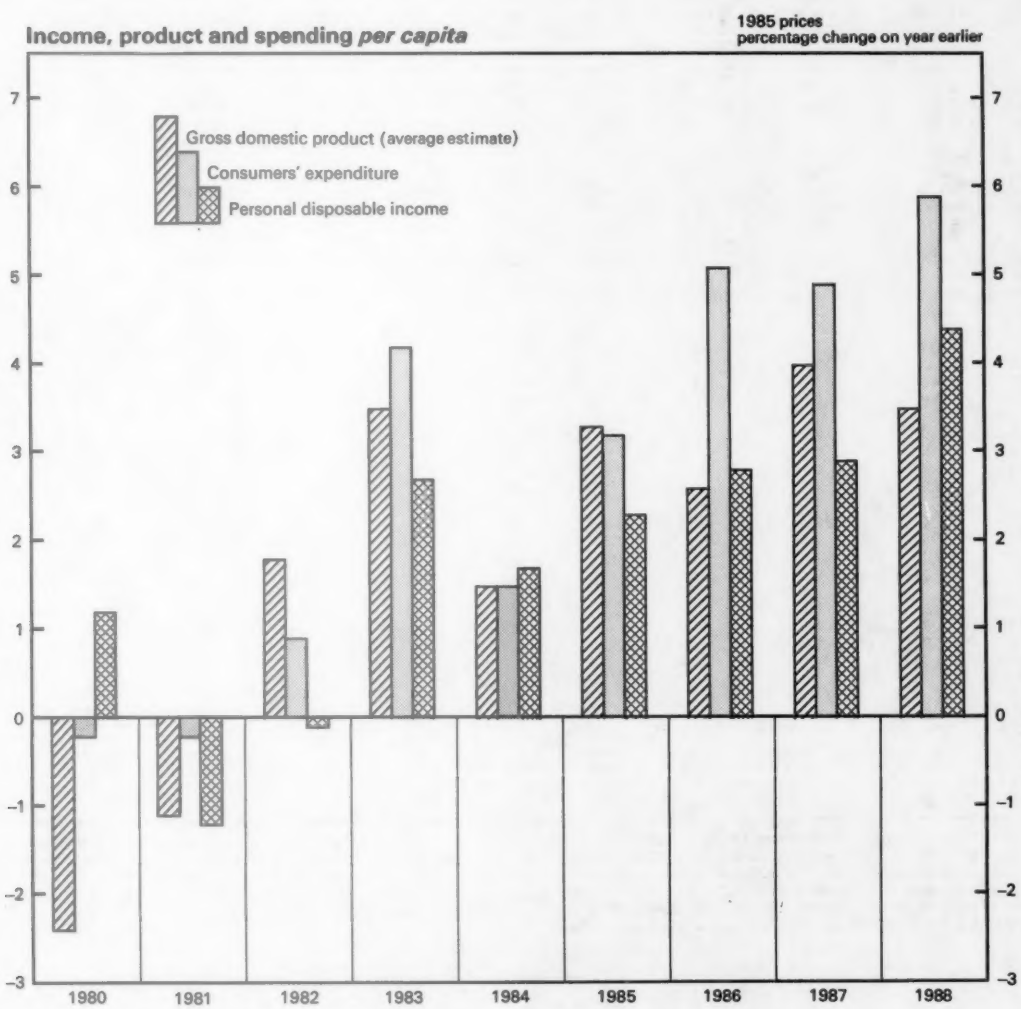
	At current prices				At 1985 prices		
	Average estimate						
	Gross national product at factor cost	Gross domestic product at factor cost	Consumers' expenditure	Personal disposable income	Gross domestic product at factor cost (average estimate)	Consumers' expenditure	Personal disposable income
	CAQA	CAQB	FBCC	FBCD	CAQC	FBCF	FBCH
1984	5 020	4 942	3 497	3 912	5 206	3 683	4 119
1985	5 435	5 386	3 806	4 218	5 386	3 806	4 218
1986	5 766	5 671	4 181	4 526	5 535	4 011	4 343
1987	6 291	6 197	4 556	4 843	5 759	4 211	4 476
1988	6 927	6 826	5 079	5 318	5 960	4 469	4 678
							CAIU
1985 Q2	1 352	1 340	935	1 047	1 350	940	1 053
Q3	1 373	1 359	963	1 062	1 354	959	1 057
Q4	1 384	1 377	982	1 085	1 353	966	1 067
1986 Q1	1 415	1 396	1 011	1 101	1 367	983	1 071
Q2	1 431	1 408	1 037	1 127	1 383	1 002	1 089
Q3	1 438	1 412	1 057	1 139	1 380	1 009	1 088
Q4	1 482	1 455	1 076	1 159	1 405	1 017	1 095
1987 Q1	1 518	1 492	1 095	1 174	1 412	1 024	1 097
Q2	1 549	1 526	1 116	1 198	1 433	1 040	1 117
Q3	1 600	1 575	1 155	1 214	1 457	1 064	1 118
Q4	1 624	1 604	1 190	1 257	1 457	1 083	1 144
1988 Q1	1 672	1 652	1 226	1 287	1 485	1 102	1 157
Q2	1 712	1 684	1 245	1 313	1 488	1 102	1 162
Q3	1 749	1 723	1 288	1 326	1 488	1 124	1 158
Q4	1 794	1 767	1 320	1 392	1 499	1 141	1 202
1989 Q1	1 829	1 810	1 346	1 418	1 503	1 146	1 208

Source: Central Statistical Office

Shares of income and expenditure



Income, product and spending *per capita*



9 Gross domestic fixed capital formation

£ million, 1985 prices

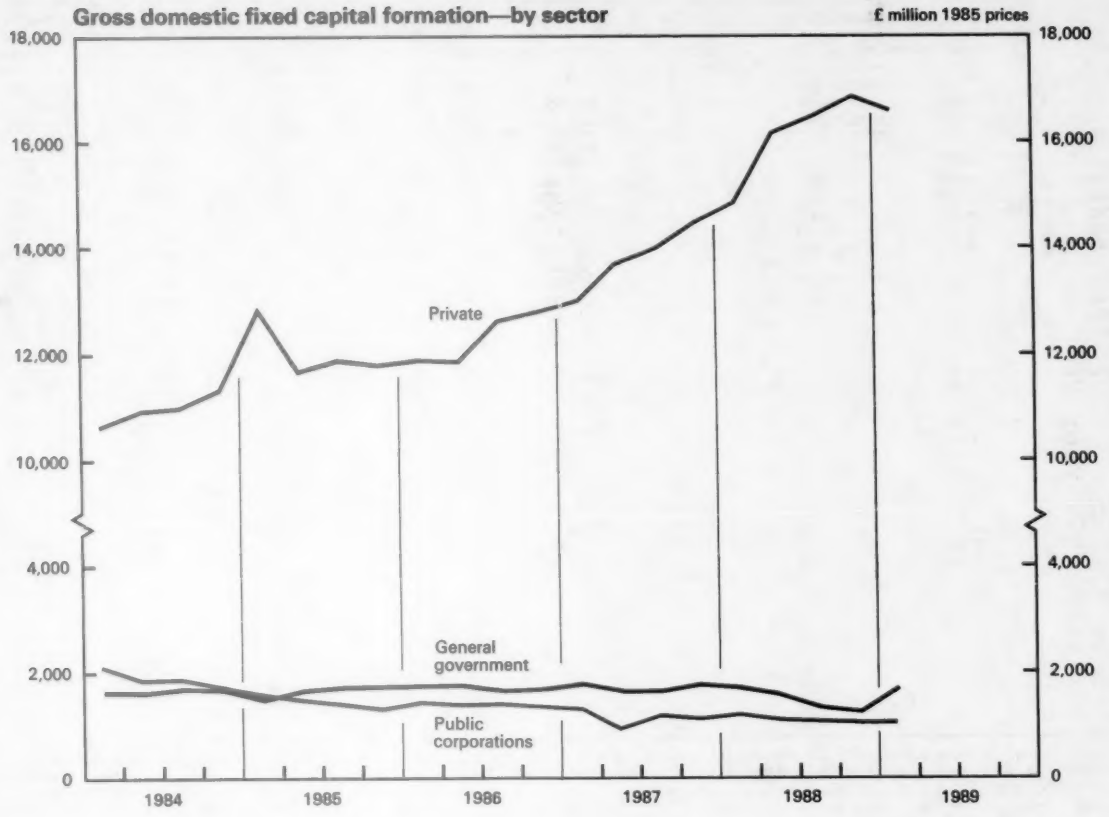
	Analysed by sector[1,2]			Analysed by type of asset[1]						Total gross domestic fixed capital formation[1]
				Dwellings			Other new building and works[3]	Vehicles, ships and aircraft	Plant and machinery	
	Private sector	General government	Public corporations	Private	Public	Total				
	DFEB	DFED	DFDA	DFEA	DFEC	DFEG	DFCV	DEBP	DEBO	DECU
1983	39 085	5 901	8 490	9 323	2 924	12 247	16 651	5 177	19 401	53 476
1984	43 845	6 605	7 625	9 746	2 825	12 571	18 135	6 107	21 262	58 075
1985	48 043	6 584	5 656	9 392	2 536	11 928	18 178	6 433	23 744	60 283
1986	48 927†	6 953†	5 402†	10 167†	2 622	12 789†	18 669†	5 718†	24 106†	61 282†
1987	54 971	6 809	4 393	10 826	2 667	13 493	20 348	6 533	25 799	66 173
1988	64 181	5 860	4 236	11 917	2 563	14 480		59 797		74 277
							DFCV	DEBP	DEBO	
1984 Q1	10 679	1 631	2 096	2 653	725	3 378	4 478	1 539	5 011	14 406
Q2	10 912	1 603	1 889	2 467	700	3 167	4 606	1 362	5 269	14 404
Q3	10 976	1 704	1 890	2 373	722	3 095	4 479	1 553	5 443	14 570
Q4	11 278	1 667	1 750	2 253	678	2 931	4 572	1 653	5 539	14 695
1985 Q1	12 815	1 485	1 532	2 300	647	2 947	4 514	2 144	6 227	15 832
Q2	11 626	1 661	1 469	2 370	622	2 992	4 670	1 466	5 628	14 756
Q3	11 836	1 709	1 372	2 357	652	3 009	4 499	1 469	5 940	14 917
Q4	11 766	1 729	1 283	2 365	615	2 980	4 495	1 354	5 949	14 778
1986 Q1	11 864†	1 785†	1 395†	2 233	703	2 936	4 596†	1 453†	6 059†	15 044
Q2	11 810	1 762	1 352	2 488†	620	3 108†	4 544	1 397	5 875	14 924†
Q3	12 550	1 699	1 334	2 658	621	3 279	4 769	1 417	6 118	15 583
Q4	12 703	1 707	1 321	2 788	678	3 466	4 760	1 451	6 054	15 731
1987 Q1	12 964	1 767	1 266	2 738	682	3 420	4 959	1 541	6 077	15 997
Q2	13 672	1 636	902	2 601	663	3 264	4 823	1 622	6 501	16 210
Q3	13 900	1 635	1 140	2 882	631	3 513	5 045	1 664	6 453	16 675
Q4	14 435	1 771	1 085	2 605	691	3 296	5 521	1 706	6 768	17 291
1988 Q1	14 811	1 708	1 147	2 763	630	3 393		14 273		17 666
Q2	16 154	1 587	1 061	3 271	674	3 945		14 857		18 802
Q3	16 409	1 303	1 022	3 012	692	3 704		15 030		18 734
Q4	16 807	1 262	1 006	2 871	567	3 438		15 637		19 075
1989 Q1	16 506	1 708	1 098	2 685	627	3 312		16 000		19 312
Percentage change, quarter on corresponding quarter of previous year										
1984 Q1	*10.8*	*5.4*	*-0.7*	*14.7*	*-8.3*	*8.8*	*7.4*	*23.4*	*4.9*	*8.3*
Q2	*12.7*	*23.8*	*-9.7*	*8.2*	*5.7*	*7.7*	*13.9*	*6.0*	*9.7*	*10.2*
Q3	*14.8*	*15.1*	*-11.6*	*3.1*	*-0.1*	*2.3*	*9.5*	*25.2*	*12.8*	*10.6*
Q4	*10.6*	*5.6*	*-18.6*	*-7.2*	*-9.4*	*-7.7*	*5.1*	*17.7*	*10.8*	*5.5*
1985 Q1	*20.0*	*-9.0*	*-26.9*	*-13.3*	*-10.8*	*-12.8*	*0.8*	*39.3*	*24.3*	*9.9*
Q2	*6.5*	*3.6*	*-22.2*	*-3.9*	*-11.1*	*-5.5*	*1.4*	*7.6*	*6.8*	*2.4*
Q3	*7.8*	*0.3*	*-27.4*	*-0.7*	*-9.7*	*-2.8*	*0.4*	*-5.4*	*9.1*	*2.4*
Q4	*4.3*	*3.7*	*-26.7*	*5.0*	*-9.3*	*1.7*	*-1.7*	*-18.1*	*7.4*	*0.6*
1986 Q1	*-7.4*	*20.2*	*-8.9*	*-2.9*	*8.7*	*-0.4*	*1.8*	*-32.2*	*-2.7*	*-5.0*
Q2	*1.6*	*6.1*	*-8.0*	*5.0*	*-0.3*	*3.9*	*-2.7*	*-4.7*	*4.4*	*1.1*
Q3	*6.0*	*-0.6*	*-2.8*	*12.8*	*-4.8*	*9.0*	*6.0*	*-3.5*	*3.0*	*4.5*
Q4	*8.0*	*-1.3*	*3.0*	*17.9*	*10.2*	*16.3*	*5.9*	*7.2*	*1.8*	*6.4*
1987 Q1	*9.3*	*-1.0*	*-9.2*	*22.6*	*-3.0*	*16.5*	*7.9*	*6.1*	*0.3*	*6.3*
Q2	*15.8*	*-7.2*	*-33.3*	*4.5*	*6.9*	*5.0*	*6.1*	*16.1*	*10.7*	*8.6*
Q3	*10.8*	*-3.8*	*-14.5*	*8.4*	*1.6*	*7.1*	*5.8*	*17.4*	*5.5*	*7.0*
Q4	*13.6*	*3.7*	*-17.9*	*-6.6*	*1.9*	*-4.9*	*16.0*	*17.6*	*11.8*	*9.9*
1988 Q1	*14.2*	*-3.3*	*-9.4*	*0.9*	*-7.6*	*-0.8*		*13.5*		*10.4*
Q2	*18.2*	*-3.0*	*17.6*	*25.8*	*1.7*	*20.9*		*14.8*		*16.0*
Q3	*18.1*	*-20.3*	*-10.4*	*4.5*	*9.7*	*5.4*		*14.2*		*12.3*
Q4	*16.4*	*-28.7*	*-7.3*	*10.2*	*-17.9*	*4.3*		*11.7*		*10.3*
1989 Q1	*11.4*	-	*-4.3*	*-2.8*	*-0.5*	*-2.4*		*12.1*		*9.3*

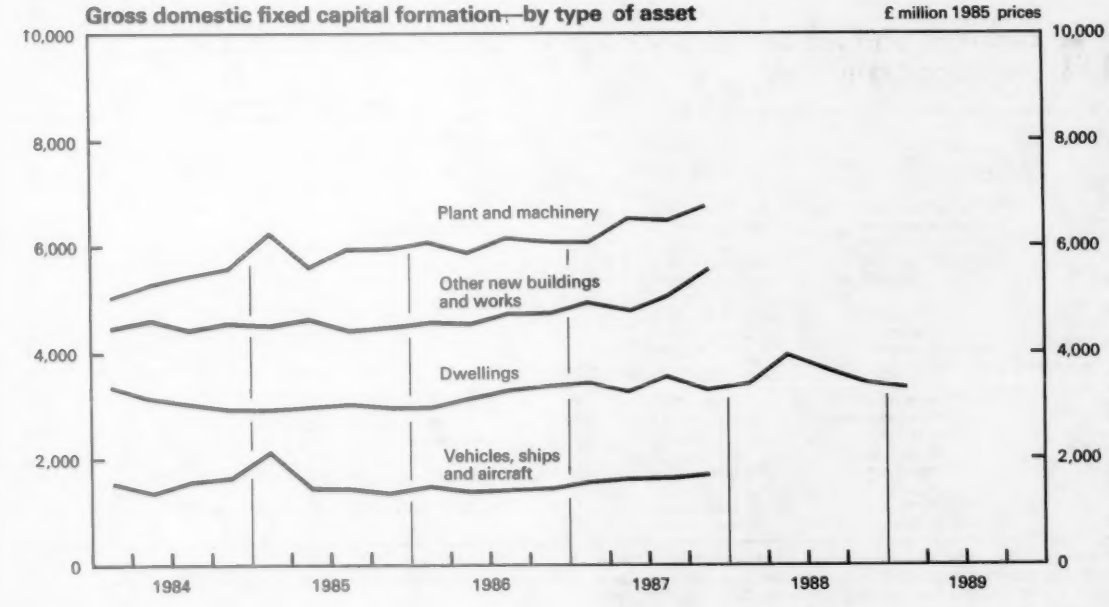
1 The latest figures issued by CSO include special adjustments to fixed investment estimates for 1988 and the first quarter of 1989 to bring them closer to the final figures expected when full information is available. They are based on a study of the apparent shortfall of quarterly survey based estimates of fixed investment compared with the production and trade data for capital goods. The adjustments amount, at constant 1985 prices, to £3200 million in 1988 and £1500 million in the first quarter of 1989. An analysis of fixed investment by type of asset in 1988 and the first quarter of 1989 will be made available in the September edition of this publication.

2 Including purchases *less* sales of land and existing buildings.

3 Including transfer costs of land and buildings.

Source: Central Statistical Office


Gross domestic fixed capital formation—by sector
£ million 1985 prices
18,000
16,000
14,000
12,000
10,000
4,000
2,000
0
Private
General government
Public corporations
1984
1985
1986
1987
1988
1989


Gross domestic fixed capital formation—by type of asset
£ million 1985 prices
10,000
8,000
6,000
4,000
2,000
0
Plant and machinery
Other new buildings and works
Dwellings
Vehicles, ships and aircraft
1984
1985
1986
1987
1988
1989

10 Indicators of fixed investment by manufacturing industry

	Gross fixed investment by manufacturing industry (excluding leased assets)							
	Plant and machinery			New building and works				
	Gross fixed investment		CBI Intentions Inquiry: balance[2] (NSA)	Gross fixed investment		CBI Intentions Inquiry: balance[2] (NSA)	Total+ (£ million, 1985 prices)[1]	New orders received by contractors for private industrial work(GB) (£ million, 1985 prices)
	Total (£ million, 1985 prices)[1]	Change on year earlier (percentage)[1]		Total (£ million, 1985 prices)[1]	Change on year earlier (percentage)[1]			
	DFQP		FBAD	DFQQ		FBAG	DECV	DPBT
1980	6 885	-10.7	..	1 143	-19.3	..	8 761	1 923
1981	5 165	-25.0	..	834	-27.0	..	6 579	1 718
1982	5 062	-2.0	..	714	-14.4	..	6 360	1 455
1983	5 196	2.6	..	634	-11.2	..	6 422	1 723
1984	6 232	19.9	..	929	46.5	..	7 810	2 426
1985	7 029	12.8	..	1 110	19.5	..	8 735	2 149
1986	6 911	-1.7	..	1 006	-9.4	..	8 478	2 088
1987	7 460	7.9	..	1 144	13.7	..	9 157	3 463[3]
1988	..	..	..	..	..	..	..	2 654
1985 Q3	1 756	11.4	-	256	12.3	-21	2 161	484
Q4	1 800	7.1	4	254	-5.2	-21	2 205	486
1986 Q1	1 805	3.9	2	227	-24.6	-16	2 176	492
Q2	1 654	-4.7	10	204	-31.8	-15	2 002	506
Q3	1 764	0.5	5	270	5.5	-15	2 183	593
Q4	1 688	-6.2	8	305	20.1	-13	2 117	497
1987 Q1	1 687	-6.5	10	253	11.5	-10	2 081	637
Q2	1 861	12.5	13	317	55.4	-3	2 313	578
Q3	1 926	9.2	20	292	8.1	1	2 353	1 722[3]
Q4	1 986	17.7	17	282	-7.5	-3	2 410	526
1988 Q1	..	..	20	..	..	1	..	664
Q2	..	..	32	..	..	6	..	626
Q3	..	..	19	..	..	-6	..	631
Q4	..	..	21	..	..	-4	..	733
1989 Q1	..	..	21	..	..	-9	..	603[†]
Q2	..	..	18	..	..	-1	..	671
Q3	..	..	3	..	..	-7	..	..

1 See footnote 1 for Table 9 on page 18. A comprehensive analysis of gross fixed investment by purchasing industry beyond 1987 is not yet available.
2 Percentage of firms expecting to authorise more in next 12 months *less* percentage expecting to authorise less.
3 Includes the Channel Tunnel project.

Sources: Department of Trade and Industry; Central Statistical Office; Confederation of British Industry; Department of the Environment

11 Department of Trade and Industry Inquiry into investment intentions: manufacturing industry[1]

Percentage change over previous year, in volume terms

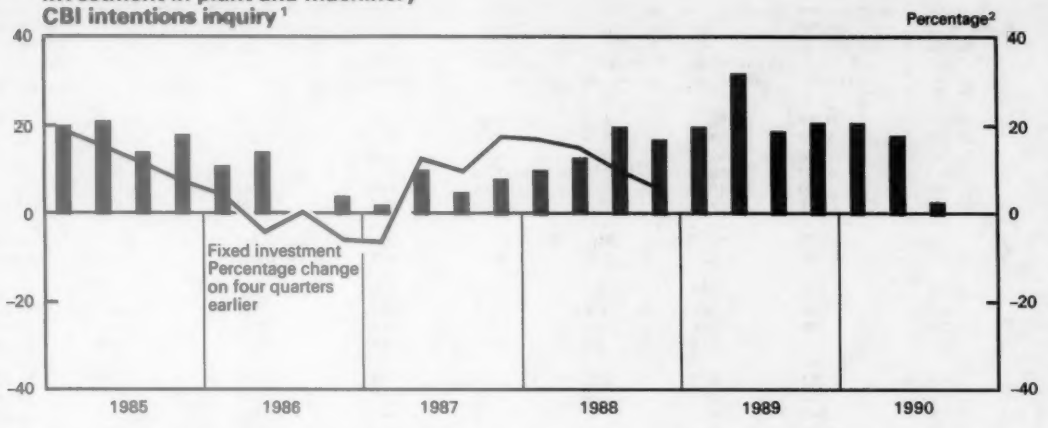
	Gross fixed investment (excluding leased assets)				
	First December forecast	First June forecast	Second December forecast	Second June forecast	Actual[2]
1976	Further reduction	Little change	-5 to -8	About -6	-5
1977	Large increase	Of order of +15	+10 to +15	+8 to + 10	+5
1978	Strong increase	+20 or more	+10 to +13	+10 to +13	+7
1979	Rise, less than +8	Rise, less than +8	+4 to +8	+2 to +5	+4
1980	Slight fall	Slight fall	-6 to -10	-8 to -12	-14
1981	Further fall	Fall of up to 8 to 12	-15 to -20	-15 to -18	-25
1982	Some recovery	Some recovery	-1 to -3	-3 to -5	-3
1983	Appreciable increase	Rise, around 5	Fall, up to 5	Fall, around 4	+2
1984	No recovery	Slow growth	Rise, around 10	About +12	+20
1985	Little change	Rise, around 6	About +7	Around +9	+12
1986	Slight fall	Slight fall	Rise, around 4	About +6	-2
1987	Little change	Small increase	Rise, around 3	About +6	+8
1988	Further rise	Further increase	Rise, around 12	Rise, around 15	+11
1989	Smaller increase	Smaller increase	Rise, around 11	Rise, around 14	
1990	Smaller increase	Smaller increase			

1 The figures in this table relate to manufacturing industry defined as Orders III to XIX, Standard Industrial Classification (1968) for 1983 and earlier years, and as Divisions 2 to 4, Standard Industrial Classification (1980) for 1984 onwards.

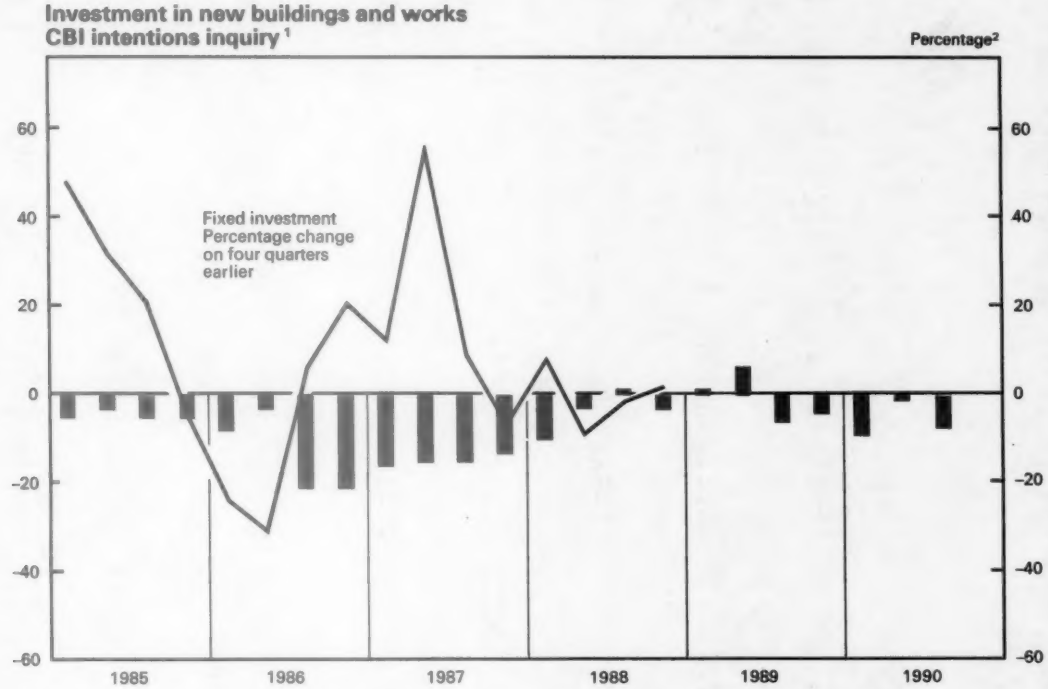
2 See footnote 1 for Table 9 on page 18. A comprehensive analysis of gross fixed investment by purchasing industry beyond 1987 is not yet available.

Source: Central Statistical Office

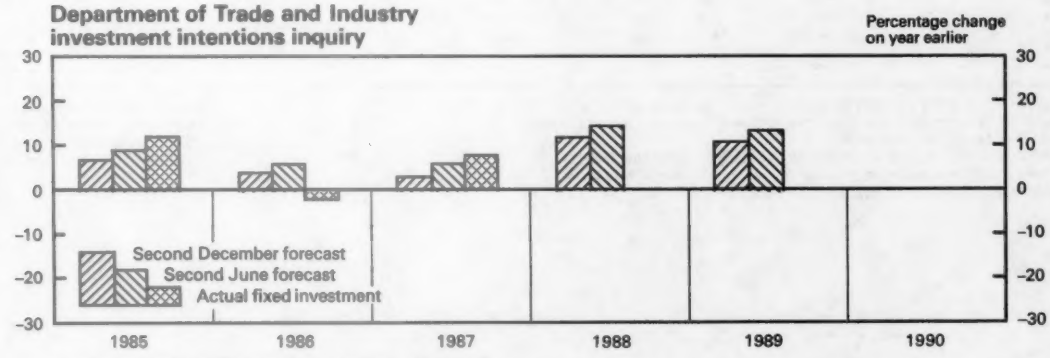
Investment in plant and machinery
CBI intentions inquiry [1]



Investment in new buildings and works
CBI intentions inquiry [1]



Department of Trade and Industry
investment intentions inquiry



[1]The results of the CBI intentions inquiry have been moved forward one year for direct comparison with the percentage change in fixed investment

[2]Percentage of firms expecting to authorise more in next 12 months *less* percentage expecting to authorise less

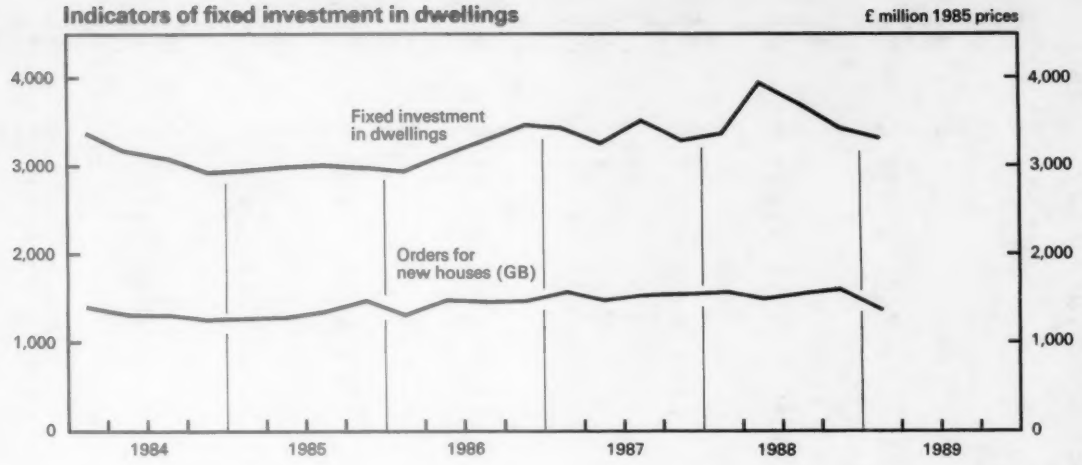
12 Indicators of fixed investment in dwellings

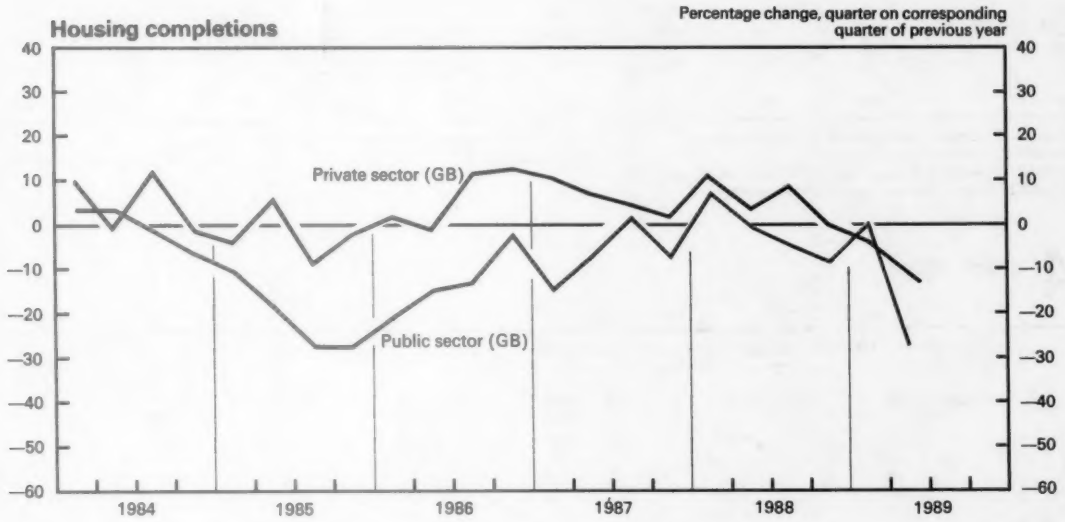
	Fixed investment in dwellings (£ million, 1985 prices)	Orders received by contractors for new houses (GB) (£ million, 1985 prices)	Housing starts (GB)+		Housing completions (GB)+		Building societies		Average price of new dwellings: mortgages approved[1,2] (NSA)
			Private sector (thousands)	Public sector (thousands)	Private sector (thousands)	Public sector (thousands)	Commitments on new dwellings (£ million, current prices)	Advances on new dwellings (£ million, current prices)	
	DFEG	FCAS	FCAT	FCAU	FCAV	FCAW	AHLO	AHLS	FCAY
1982	10 899	4 762	140.8	52.9	124.8	50.2	1 931	1 716	26 508
1983	12 247	4 686	171.1	48.8	146.1	50.9	2 419	2 330	31 678
1984	12 571	4 293	156.9	39.9	157.2	50.7	2 980	2 900	34 160
1985	11 928	5 290	162.8	34.2	152.1	40.0	2 963	2 900	37 304
1986	12 789	5 642	176.1	33.0	163.0	34.8	3 626	3 517	43 647
1987	13 493	6 010	191.3	31.7	170.7	32.1	3 702	3 488	51 290
1988	14 480	6 143	213.9	29.7†	181.8	30.2	4 831	4 696	64 615
1984 Q1	3 378	1 389	40.7	12.4	40.0	12.5	732	684	33 066
Q2	3 167	1 298	39.7	10.2	37.6	13.1	814	725	34 345
Q3	3 095	1 299	38.6	9.3	40.5	12.8	707	763	34 906
Q4	2 931	1 219	37.9	8.0	39.1	12.3	727	728	34 338
1985 Q1	2 947	1 233	37.3	8.5	37.9	11.3	713	709	35 658
Q2	2 992	1 270	40.8	8.5	39.0	10.5	680	715	36 556
Q3	3 009	1 347	41.3	8.4	36.9	9.4	740	700	37 625
Q4	2 980	1 439	43.4	8.8	38.3	8.8	830	776	39 458
1986 Q1	2 936	1 290	41.2	8.1	38.5	9.0	815	802	40 470
Q2	3 108	1 460	43.7	7.9	40.1	9.1	1 007	868	43 443
Q3	3 279	1 441	46.7	8.8	41.3	8.1	975	929	45 065
Q4	3 466	1 450	44.5	8.2	43.1	8.6	829	918	45 749
1987 Q1	3 420	1 537	47.8	8.1	42.5	7.6	813	832	47 460
Q2	3 264	1 448	45.5	8.3	42.8	8.4	882	837	49 604
Q3	3 513	1 501	48.1	7.6	43.1	8.2	974	886	52 428
Q4	3 296	1 525	50.1	7.7	42.3	7.9	1 033	933	55 474
1988 Q1	3 393	1 557	54.8	7.7†	47.8	7.7	1 257	1 113	60 395
Q2	3 945	1 472	53.2	7.2	44.8	7.7	1 338	1 180	63 342
Q3	3 704	1 523	50.1	7.5	46.6	7.8	1 236	1 279	67 425
Q4	3 438	1 592	55.8	7.3	42.6	7.0	1 000	1 124	69 342
1989 Q1	3 312	1 376	50.5	7.3	46.3	7.5	977	1 081	..
Q2	..	1 144†	..	..	..	..	1 134†	1 036†	..
1987 Aug	..	474	16.2	2.5	14.6	2.5	324	296	52 898
Sep	..	481	16.6	2.7	14.1	2.8	320	302	52 635
Oct	..	482	14.7	2.5	14.2	2.7	339	313	54 594
Nov	..	490	16.9	2.7	14.1	2.7	348	307	55 225
Dec	..	553	18.5	2.5	14.0	2.5	346	313	56 806
1988 Jan	..	577	21.5	2.8†	17.7	2.2	381	348	56 918
Feb	..	552	16.9	3.0	15.4	2.7	425	375	59 064
Mar	..	428	16.4	1.9	14.7	2.8	451	390	63 688
Apr	..	525	18.6	2.5	15.3	2.7	433	382	62 304
May	..	460	17.6	2.3	15.3	2.6	436	396	63 060
Jun	..	487	17.0	2.4	14.2	2.4	469	402	64 578
Jul	..	473	16.8	2.5	17.2	2.6	512	438	66 577
Aug	..	553	17.1	3.0	15.2	2.8	374	441	66 326
Sep	..	497	16.2	2.0	14.2	2.4	350	400	69 915
Oct	..	500	17.2	2.4	14.4	2.3	349	387	67 488
Nov	..	550	19.0	2.4	13.7	2.2	338	368	69 956
Dec	..	541	19.6	2.5	14.5	2.5	313	369	71 153
1989 Jan	..	549	20.7	3.0	17.2	2.6	312	404	68 808
Feb	..	426	17.7	2.4	15.0	3.0	338	361	71 096
Mar	..	400	12.1	1.9	14.1	1.9	327	316	74 314
Apr	..	446†	14.1	2.0	13.8	1.9	390	360	74 760
May	..	322	13.5	1.8	13.7	2.0	341†	361†	74 670
Jun	..	375	..	..	..	..	403	315	76 200

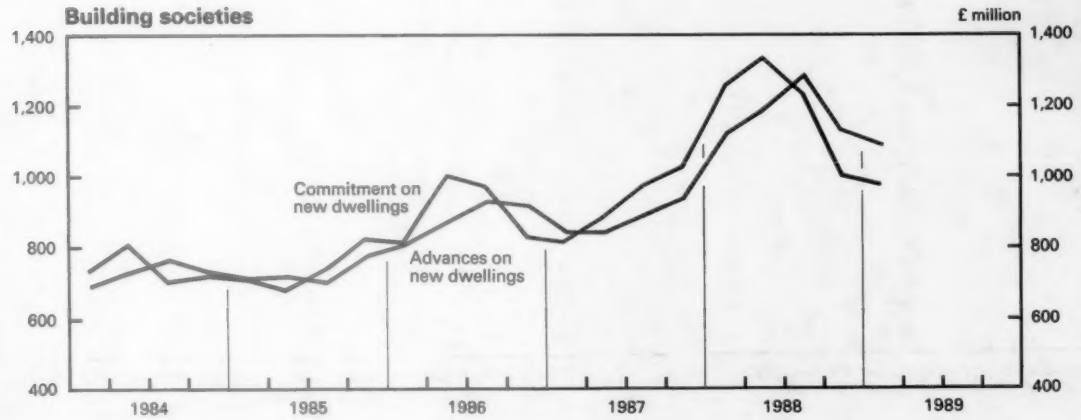
1 Mortgages with building societies by private owners. The series covers only dwellings on which building societies have approved mortgages during the period. The cost of land is included.

2 The Abbey National ceased to be a building society in July 1989. Prior to July 1989 the figures are based on a monthly return reflecting 87% of building society mortgages - from July, the survey covers 85%.

Sources: Central Statistical Office; Department of the Environment; Scottish Development Department; Building Societies Association


Indicators of fixed investment in dwellings
£ million 1985 prices
4,000
3,000
2,000
1,000
0
Fixed investment in dwellings
Orders for new houses (GB)
1984
1985
1986
1987
1988
1989


Housing completions
Percentage change, quarter on corresponding quarter of previous year
40
30
20
10
0
–10
–20
–30
–40
–50
–60
Private sector (GB)
Public sector (GB)
1984
1985
1986
1987
1988
1989


Building societies
£ million
1,400
1,200
1,000
800
600
400
Commitment on new dwellings
Advances on new dwellings
1984
1985
1986
1987
1988
1989

13 Stock changes

£ million, 1985 prices

	Energy and water supply	Manufacturing: Materials and fuels	Manufacturing: Work in progress	Manufacturing: Finished goods	Manufacturing: Total	Distribution: Wholesale[1]	Distribution: Retail[2]	Other industries	All industries
Value of stocks and work in progress end-December 1987[3]	5 992	12 871	15 900	12 602	41 373	14 152	11 282	19 798	92 577
	DHBQ	DGAX	DGAY	DGAW	DHBM	DHBO	DHBN	DHBR	DGBA
1984 Q1	-260	-16	177	217	378	-48	201	70	341
Q2	-330	64	170	-228	6	-18	34	124	-184
Q3	-235	179	-	136	315	75	-142	76	89
Q4	-160	96	34	229	359	27	398	202	826
1985 Q1	-76	43	-298	73	-181	-68	-61	190	-194
Q2	-122	21	14	210	244	152	126	203	603
Q3	-25	193	-7	-59	127	-137	129	224	318
Q4	209	-118	-376	-139	-633	-34	51	249	-158
1986 Q1	4	-22	-146	-83	-250	318	201	120	393
Q2	-243	109	60	50	220	-90	177	153	217
Q3	-95	-57	-55	-52	-163	-289	130	13	-404
Q4	121	-136	18	-89	-210	326	223	49	509
1987 Q1	-95	-19	-92	-92	-202	96	121	-6	-86
Q2	-55	-18	-40	-120	-177	69	232	79	148
Q3	25	112	296	2	410	215	382	123	1 155
Q4	4	-31	-369	24	-376	101	-6	-58	-335
1988 Q1	-93	15	30	10	54	-117	133	94	71
Q2	-101	72	125	201	398	119	133	24	573
Q3	-55	-119	-47	-64	-230	85	58	-115	-257
Q4	98	52	197	272	522	121	371	397	1 509
1989 Q1	337	102	69	65	236	-342	-269	506	468

1 Classes 61-63 excluding activity heading 6148; wholesale distribution of motor vehicles and parts.
2 Classes 64-65 excluding activity headings 6510 and 6520; retail distribution of motor vehicles and parts, and filling stations.
3 Stock levels at 1985 prices, not seasonally adjusted.

Source: Central Statistical Office

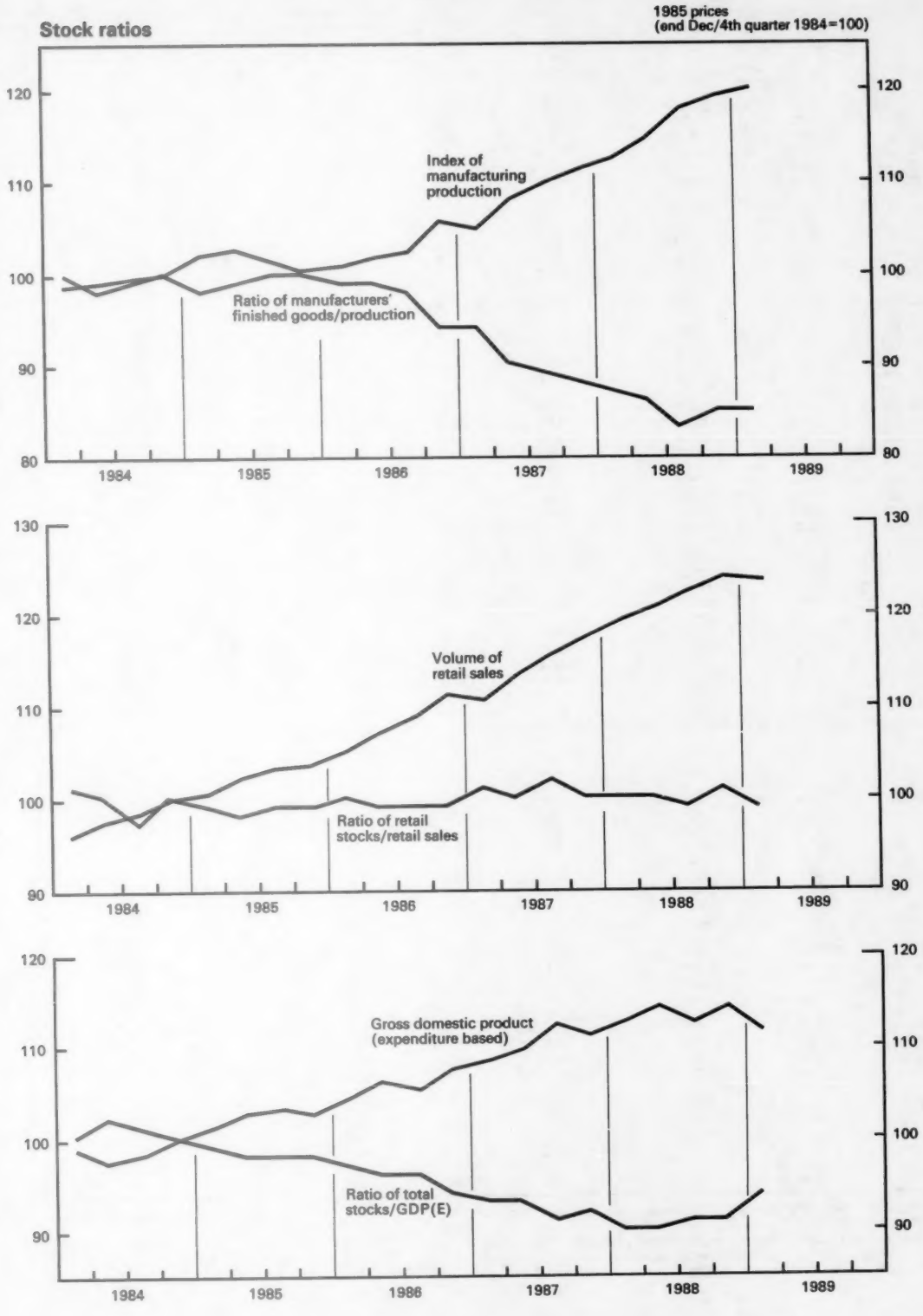
14 Stock ratios

	Manufacturers' stocks[1] to manufacturing production: Materials and fuel	Work in progress	Finished goods	Total stocks	Retail stocks[1] to retail sales[2,3]	Total stocks[1] to gross domestic product (expenditure-based)[2]
	FDCC	FDCD	FDCE	FDCB	FDCF	FDCA
1984 Q1	99	100	100	100	101	100
Q2	99	101	98	99	100	102
Q3	100	100	99	100	97	101
Q4	100	100	100	100	100	100
1985 Q1	98	96	98	97	99	99
Q2	98	96	99	97	98	98
Q3	100	97	100	99	99	98
Q4	101	96	100	99	99	98
1986 Q1	100	94	99	98	100	97
Q2	100	94	99	97	99	95
Q3	99	93	98	96	99	96
Q4	95	90	94	93	99	94
1987 Q1	96	90	94	93	101	93
Q2	93	88	90	90	100	93
Q3	92	88	89	89	102	91
Q4	90	85	88	87	100	92
1988 Q1	89	84	87	86	100	90
Q2	88	83	87	86	100	90
Q3	85	80	84	83	99	91
Q4	84	80	85	83	101	91
1989 Q1	85	80	85	83	99	94

1 Measured at 1985 prices; end-December 1984=100.
2 Measured at 1985 prices; 4th quarter 1984=100.
3 Classes 64-65 excluding activity headings 6510 and 6520, retail distribution of motor vehicles and parts, and filling stations.

Source: Central Statistical Office

Stock ratios



15 Inland energy consumption

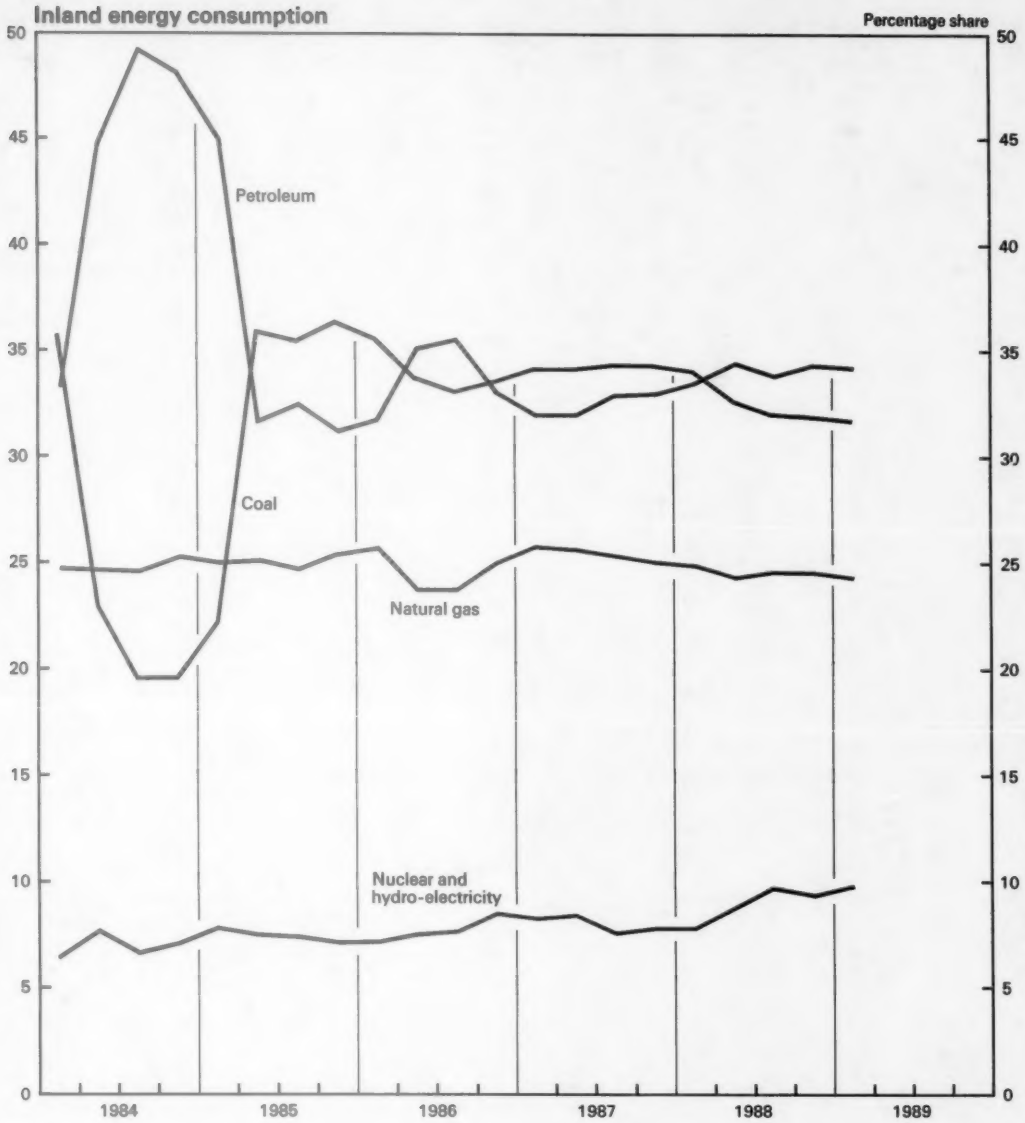
Annual rates, temperature corrected

	Primary fuel input (million tonnes of coal or coal equivalent)							Public supply: electricity available (terrawatt hours)
				Primary electricity (not temperature corrected)				
	Coal[1]	Petroleum	Natural gas (excl. flared or re-injected)	Nuclear	Hydro[2] (NSA)	Net imports (NSA)	Total	
	FDAI	FDAJ	FDAK	FDAL	FDAM	FDAW	FDAH	BHJL
1979	127.2	137.0	69.1	13.8	2.2	-	349.3	263.35†
1980	120.1	121.2	70.5	13.4	2.0	-	327.2	251.34
1981	117.5	110.2	71.6	13.7	2.3	-	315.3	246.22
1982	109.6	110.8	72.9	16.0	2.4	-	311.7	242.02
1983	111.6	105.9	75.6	18.1	2.4	-	313.6	246.02
1984	78.5	134.7	77.3	19.5	2.1	-	312.1	250.76
1985	103.6	113.2	81.2	22.1	2.1	-	322.9	263.23
1986	110.6	110.6	81.6	21.3	2.4	1.7	328.3	270.89
1987	114.3	108.0	84.4	19.8	2.1	4.8	333.3	279.10
1988	112.0	116.1	83.7	22.9	2.4	5.2	343.1	285.19
1983 Q4	111.4	101.7	76.8	17.8	2.2	-	309.9	66.9†
1984 Q1	111.4	103.1	76.6	17.5	2.4	-	310.9	74.2
Q2	70.0	138.5	74.7	21.6	2.0	-	304.7	56.3
Q3	60.9	152.8	76.0	19.5	1.4	-	310.7	52.5
Q4	61.1	149.8	78.6	20.1	2.0	-	311.5	67.5
1985 Q1	70.8	143.0	79.4	23.3	2.1	-	318.5	77.4
Q2	116.8	103.1	81.5	22.3	2.0	-	325.7	60.1
Q3	116.1	106.6	80.9	22.3	2.1	-	329.0	55.0
Q4	116.3	100.0	80.9	21.0	2.2	-	320.3	70.5
1986 Q1	115.4	103.0	83.3	21.0	2.2	0.2	324.9	80.0
Q2	112.3	116.9	79.0	21.2	2.2	1.6	333.3	62.3
Q3	108.7	116.6	78.0	21.8	2.4	1.3	328.1	56.2
Q4	109.3	107.8	81.7	21.6	2.3	3.9	326.6	71.2
1987 Q1	110.8	103.6	83.3†	21.1	2.3	3.7	324.7	81.1
Q2	114.5	107.2	86.0	20.6	2.2	5.4	336.0	62.9
Q3	115.8	111.0	85.4	18.7	2.2	4.7	337.8	58.4
Q4	115.4	110.7	84.3	18.8	2.2	5.2	336.5†	76.7
1988 Q1	115.1	113.2	84.2	19.2	2.3	5.1	338.2	81.2
Q2	110.2	115.8	82.3	21.8	2.3	5.6	338.0	63.8
Q3	106.8	115.0	83.4	24.9	2.4	5.7	340.3	61.1
Q4	111.2	120.0	85.5	26.0	2.5	4.5	349.6	..
1989 Q1	108.9	117.2	83.3	26.1	2.4	5.2	343.0	..
Percentage change, quarter on corresponding quarter of previous year								
	FDAP	FDAQ	FDAR	FDAS	FDAT	FDAX	FDAO	FDAU
1983 Q4	*3.5*	*-3.2*	*2.6*	*2.8*	*-13.4*	-	*0.7*	*2.8*
1984 Q1	*-0.8*	-	*1.7*	*4.3*	*-15.8*	-	*0.2*	*2.5*
Q2	*-35.7*	*25.9*	*5.0*	*10.9*	*-25.8*	-	*-1.8*	*1.1*
Q3	*-48.0*	*35.8*	*4.7*	*2.8*	*-15.6*	-	*-3.8*	*0.8*
Q4	*-45.2*	*47.3*	*2.3*	*12.6*	*-9.6*	-	*0.5*	*1.8*
1985 Q1	*-36.4*	*38.7*	*3.8*	*33.3*	*-12.0*	-	*2.4*	*3.1*
Q2	*66.9*	*-24.4*	*9.1*	*3.6*	*-15.9*	-	*6.8*	*5.8*
Q3	*90.7*	*-30.3*	*6.4*	*14.2*	*-6.8*	-	*5.6*	*4.0*
Q4	*90.5*	*-33.3*	*2.9*	*4.7*	*5.8*	-	*2.8*	*3.1*
1986 Q1	*62.9*	*-28.0*	*4.9*	*-10.0*	*6.8*	+	*2.0*	*3.4*
Q2	*-3.8*	*13.4*	*-3.1*	*-5.2*	*14.4*	+	*2.3*	*2.6*
Q3	*-6.4*	*9.4*	*-3.6*	*-1.9*	*14.6*	+	*-0.3*	*0.1*
Q4	*-8.1*	*7.8*	*1.1*	*2.5*	*6.0*	+	*2.0*	*2.4*
1987 Q1	*-3.5*	*-0.2*	*.*†	*1.9*	*2.7*	+	*-0.1*†	*2.2*
Q2	*2.1*	*-7.6*	*8.9*	*-5.6*	*-0.2*	+	*0.8*	*1.6*
Q3	*6.2*	*-4.6*	*9.5*	*-13.6*	*-5.9*	+	*3.0*	*4.7*
Q4	*5.3*	*2.4*	*4.7*	*-12.7*	*-7.4*	*32.9*	*3.0*	*4.9*
1988 Q1	*4.2*	*-0.5*	*1.2*	*-9.1*	*0.4*	*40.3*	*4.2*	*1.1*
Q2	*-3.9*	*8.5*	*-4.4*	*6.9*	*4.1*	*3.7*	*0.6*	*1.2*
Q3	*-6.1*	*3.5*	*-2.3*	*34.1*	*6.4*	*23.2*	*0.7*	..
Q4	*-3.7*	*8.4*	*1.4*	*37.7*	*14.5*	*-12.3*	*3.9*	..
1989 Q1	*-5.4*	*3.5*	*-1.2*	*36.0*	*5.4*	*1.4*	*1.4*	..

1 Annual data includes adjustment for net foreign trade and stock change in other solid fuels.

2 Quarterly data from Q1 1985 onwards are the estimated annual outturn. Comparisons with 1984 are based on corresponding estimated outturns in that year, not the data shown in the table.

Source: Department of Energy


Inland energy consumption
Percentage share
50
45
40
35
30
25
20
15
10
5
0
Petroleum
Coal
Natural gas
Nuclear and
hydro-electricity
1984
1985
1986
1987
1988
1989

16 Index of output of the production industries

1985 = 100

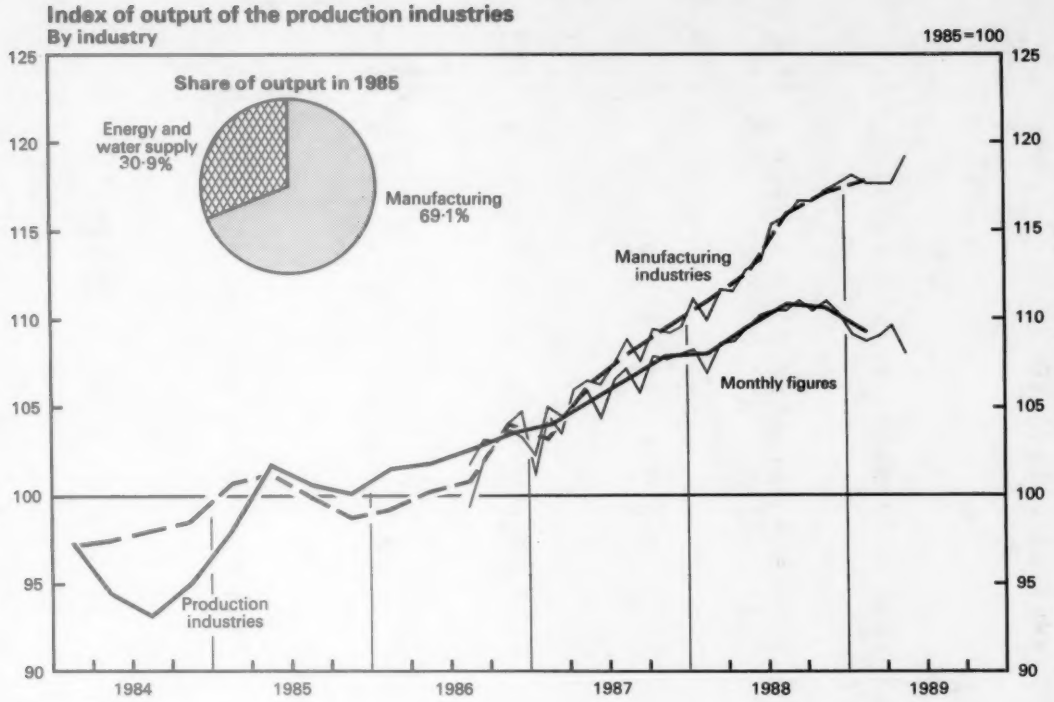
	Total production industries	Energy and water supply	Total manufacturing industries[1]	By market sector: Consumer goods industries	Investment goods industries	Intermediate goods industries
1985 weights	*1 000*	*309*	*691*	*242*	*195*	*563*
	DVIM	DVIN	DVIS	DVJP	DVJV	DVJZ
1982	91.3	91.6	91.1	92.4	91.3	90.4
1983	94.7	96.8	93.7	95.3	91.8	95.4
1984	94.9	88.8	97.6	98.1	95.8	93.2
1985	100.0	100.0	100.0	100.0	100.0	100.0
1986	102.2	105.0	101.0	101.6	99.0	103.5
1987	105.8	103.9	106.6	106.5	103.2	106.3
1988	109.6†	99.4	114.0	112.0	111.5	107.8
1984 Q2	94.3	87.6	97.3	98.7	94.6	92.3
Q3	93.2	82.7	97.9	98.0	96.1	90.1
Q4	94.9	87.3	98.3	98.1	98.4	92.3
1985 Q1	97.9	92.0	100.5	100.5	101.3	95.6
Q2	101.6	102.7	101.1	99.9	102.6	101.9
Q3	100.5	102.1	99.8	100.4	99.1	101.0
Q4	100.0	103.2	98.6	99.1	97.0	101.4
1986 Q1	101.4	106.5	99.1	99.8	99.4	102.8
Q2	101.7	105.1	100.1	101.2	97.7	103.2
Q3	102.4	106.5	100.6	101.7	97.3	104.5
Q4	103.3	101.8	103.9	103.7	101.7	103.6
1987 Q1	103.8	105.5	103.0	103.3	99.4	105.5
Q2	105.1	102.4	106.2	105.9	103.4	105.3
Q3	106.4	103.1	107.9	108.1	103.5	106.7
Q4	107.8	104.5	109.3	108.8	106.4	107.9
1988 Q1	107.9†	101.3	110.8	109.5	106.3	107.7
Q2	109.4	102.3	112.4	111.5	108.8	108.6
Q3	110.7	98.6	115.8	113.5	113.9	108.0
Q4	110.5	95.5	117.0	113.6	116.9	106.8
1989 Q1	109.1	89.1†	118.2†	114.1†	118.4†	104.0†
Q2	108.3	86.0	118.3	114.8	118.4	102.2
1987 Jan	102.6†	104.7	101.0	102.6	97.1	103.8
Feb	104.9	105.5	104.6	103.6	101.7	106.5
Mar	104.2	106.3	103.4	103.7	99.5	106.2
Apr	105.4	103.0	106.0	105.9	103.1	105.5
May	106.2	104.5	106.4	106.3	103.7	106.4
Jun	104.4	99.7	106.2	105.5	103.2	104.0
Jul	106.9	104.3	107.3	107.7	102.0	107.3
Aug	107.9	103.3	108.9	108.8	104.9	107.2
Sep	106.8	101.8	107.5	107.9	103.5	105.6
Oct	108.8	104.5	109.3	108.8	105.6	108.2
Nov	108.2	104.4	109.2	108.5	105.2	108.2
Dec	108.6	104.8	109.4	109.1	108.3	107.4
1988 Jan	109.0	101.7	111.1	110.1	103.9	108.9
Feb	108.9	100.3	109.7	108.3	105.5	106.5
Mar	108.5	102.0	111.5	110.0	109.5	107.6
Apr	109.4	102.2	111.4	109.8	107.7	108.4
May	109.9	102.0	112.6	112.8	106.9	108.7
Jun	110.5	102.8	113.2	111.9	111.7	108.6
Jul	110.5	99.1	115.3	113.5	112.4	108.2
Aug	111.9	98.2	115.7	113.0	113.9	107.9
Sep	111.2	98.5	116.5	114.2	115.5	108.0
Oct	110.6	96.2	116.5	112.8	116.6	107.0
Nov	111.3	97.0	117.1	114.3	117.2	107.2
Dec	110.4	93.4	117.5	113.8	116.9	106.1
1989 Jan	109.1	88.7†	118.8†	113.7†	119.6†	104.2†
Feb	109.0	89.0	118.0	113.5	117.9	104.0
Mar	109.2	89.6	117.9	114.9	117.7	103.8
Apr	109.2	91.0	117.3	114.7	115.0	104.8
May	107.9	82.4	119.2	115.1	119.0	100.9
Jun	108.0	84.7	118.4	114.5	121.1	100.7

1 The figures for manufacturing industries contain an adjustment for stock changes and for measurement bias - see Annual Supplement 1988 edition.

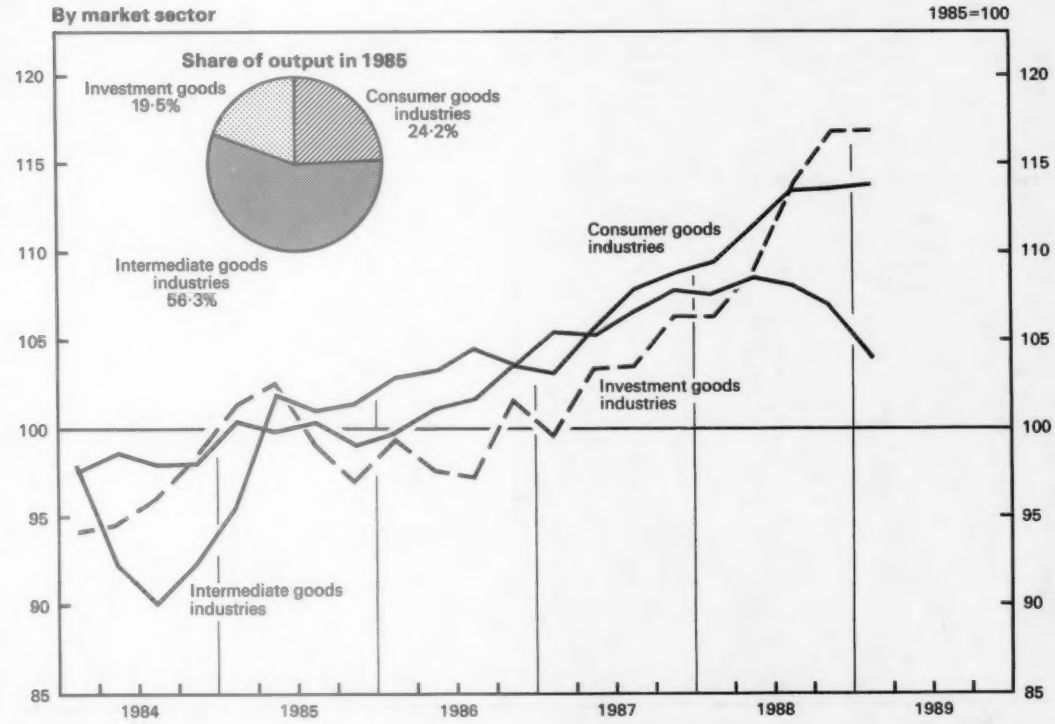
Source: Central Statistical Office

Index of output of the production industries

By industry



By market sector



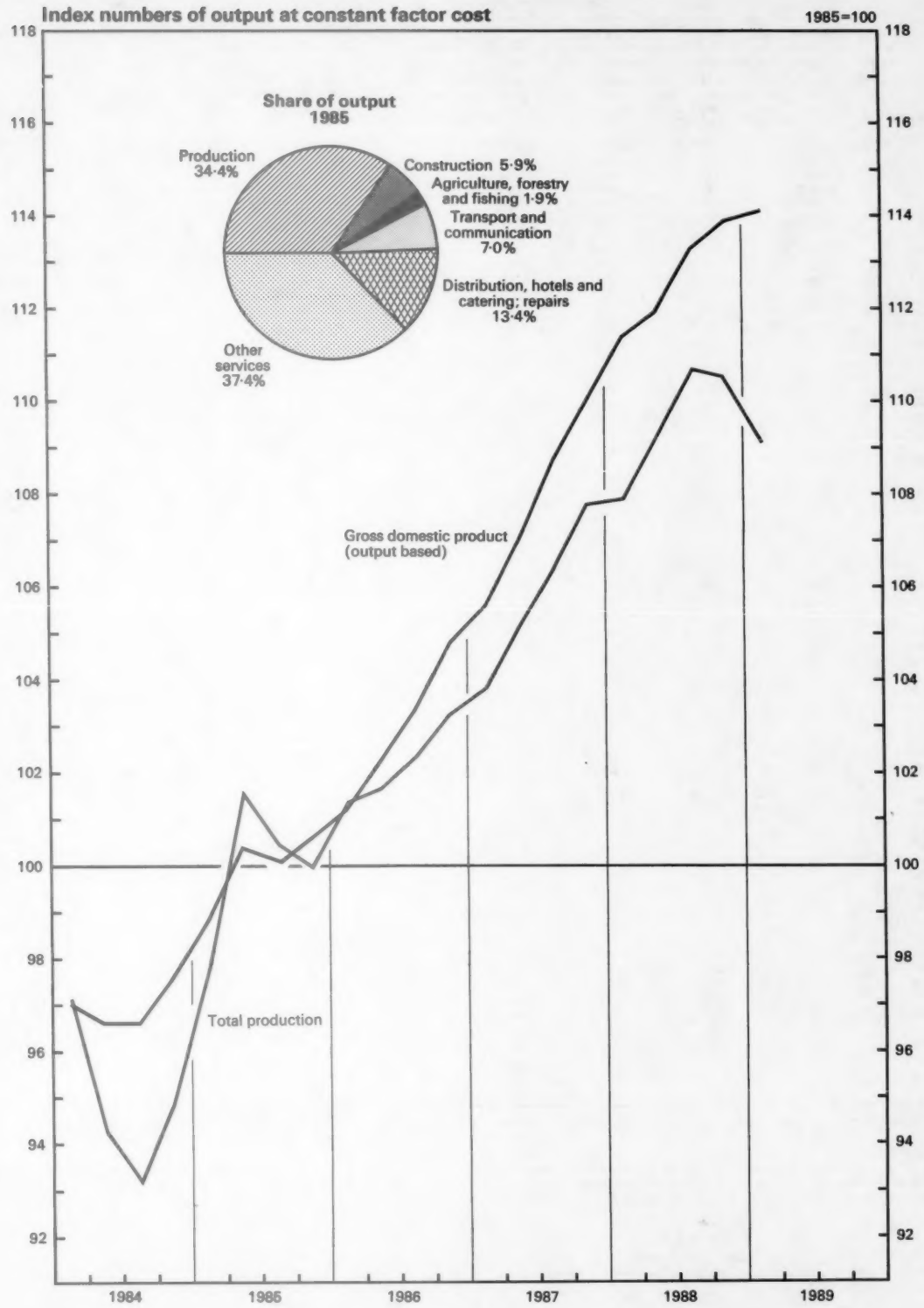
17 Index numbers of output at constant factor cost

1985 = 100

	Agriculture, forestry and fishing	Production industries[1]	Construction	Service industries: Distribution; hotels and catering; repairs	Service industries: Transport and communication	Service industries: Other services	Service industries: Total services	Gross domestic product
1985 weights	*19*	*344*	*59*	*134*	*70*	*374*	*578*	*1 000*
	CKAP	DVIM	DVJO	CKAQ	CKAR	CKAS	CKCE	DSAE
1980	85	92.5	88.7	88	91	89	89.2	90.2
1981	87	89.6	81.8	86	91	90	89.5	89.0
1982	95	91.3	88.3	88	90	92	90.8	90.9
1983	90	94.7	93.9	92	93	95	93.7	94.0
1984	106	94.9	98.4	96	97	99	97.7	97.0
1985	100	100.0	100.0	100	100	100	100.0	100.0
1986	99	102.2	101.1	104	105	103	103.7	102.9
1987	99	105.8	109.0	110	113	108	109.2	107.8
1988	101	109.6†	117.0	116	119	113	114.4	112.6
1983 Q3	88	94.9	95.3	92	93	95	94.2	94.5
Q4	93	96.7	96.5	93	95	96	95.1	95.6
1984 Q1	101	97.2	97.4	94	95	98	96.7	97.0
Q2	107	94.3	98.4	95	96	98	97.4	96.6
Q3	109	93.2	99.4	96	97	99	98.0	96.6
Q4	105	94.9	98.5	98	99	99	98.9	97.6
1985 Q1	102	97.9	100.5	99	100	99	99.3	98.9
Q2	100	101.6	100.0	100	100	100	99.7	100.4
Q3	99	100.5	98.6	100	100	100	100.1	100.1
Q4	99	100.0	100.9	101	101	101	100.9	100.6
1986 Q1	99	101.4	97.0	101	103	102	101.7	101.3
Q2	99	101.7	101.3	103	104	103	103.0	102.3
Q3	99	102.4	102.0	104	105	104	104.2	103.4
Q4	99	103.3	104.1	106	108	105	105.9	104.8
1987 Q1	100	103.8	107.6	107	107	106	106.7	105.6
Q2	99	105.1	105.9	109	113	108	108.5	107.0
Q3	99	106.4	109.5	111	116	109	110.4	108.8
Q4	100	107.8	113.1	113	115	110	111.3	110.0
1988 Q1	100	107.9†	117.9	115	119	111	113.2	111.4
Q2	100	109.4	116.1	114	118	112	113.3	111.9
Q3	102	110.7	115.6	117	118	114	115.1	113.3
Q4	101	110.5	118.4	118	120	115	116.0	113.9
1989 Q1	103	109.1	122.5	119	119	115	116.5	114.1
Q2	..	..	..	..	..	..	116.3†	113.7†
Percentage change, quarter on corresponding quarter of previous year								
1984 Q1	*13*	*4.5*	*5*	*4*	*5*	*4*†	*4.6*†	*4.7*
Q2	*24*	*0.3*	*8*	*5*	*4*	*4*	*4.5*	*3.6*
Q3	*24*	*-1.8*	*4*	*4*	*5*	*4*	*4.1*	*2.2*
Q4	*13*	*-1.9*	*2*	*5*	*5*	*3*	*4.0*	*2.1*
1985 Q1	-	*0.7*	*3*	*5*	*5*	*1*	*2.6*	*2.0*
Q2	*-7*	*7.7*	*1*	*5*	*4*	*1*	*2.3*	*3.9*
Q3	*-9*	*7.8*	*-1*	*4*	*3*	*1*	*2.1*	*3.6*
Q4	*-6*	*5.4*	*3*	*4*	*2*	*2*	*2.0*	*3.0*
1986 Q1	*-2*	*3.6*	*-4*	*3*	*3*	*2*	*2.4*	*2.4*
Q2	*-1*	*0.1*	*1*	*3*	*4*	*3*	*3.3*	*2.0*
Q3	-	*1.9*	*3*	*4*	*5*	*4*	*4.1*	*3.2*
Q4	-	*3.3*	*3*	*5*	*8*	*5*	*5.0*	*4.2*
1987 Q1	-	*2.4*	*11*	*6*	*4*	*5*	*4.9*	*4.3*
Q2	-	*3.3*	*5*	*6*	*9*	*5*	*5.4*	*4.6*
Q3	-	*3.9*	*7*	*6*	*10*	*5*	*6.0*	*5.2*
Q4	*1*	*4.4*	*9*	*6*	*6*	*4*	*5.1*	*5.0*
1988 Q1	-	*3.9*†	*10*	*7*	*11*	*5*	*6.1*	*5.5*
Q2	*1*	*4.1*	*10*	*5*	*5*	*4*	*4.4*	*4.6*
Q3	*2*	*4.0*	*6*	*6*	*2*	*4*	*4.2*	*4.2*
Q4	*1*	*2.5*	*5*	*5*	*4*	*4*	*4.3*	*3.6*
1989 Q1	*3*	*1.1*	*3*	*4*	-	*3*	*3.0*	*2.4*
Q2	..	..	..	..	..	..	*2.6*	..

1 The latest data for the index of production are presented in Table 16. The figures given in this table are consistent with the figures for the output measure of gross domestic product.

Source: Central Statistical Office


Index numbers of output at constant factor cost
1985=100
Share of output 1985
Production 34·4%
Construction 5·9%
Agriculture, forestry and fishing 1·9%
Transport and communication 7·0%
Distribution, hotels and catering; repairs 13·4%
Other services 37·4%
Gross domestic product (output based)
Total production
118
116
114
112
110
108
106
104
102
100
98
96
94
92
1984
1985
1986
1987
1988
1989

18 Engineering and construction: output and orders

Volume index numbers

	Engineering industries[1]							Construction (GB)	
	Home market		Export		Total				
	Orders on hand end of period (average 1985 = 100)	New orders[2] (1985 average monthly sales = 100)	Orders on hand end of period (average 1985 = 100)	New orders[2] (1985 average monthly sales = 100)	Sales[2] (1985 average monthly sales = 100)	Orders on hand end of period (average 1985 =100)	New orders[2] (1985 average monthly sales = 100)	Gross output[3] (1985 = 100)	Orders received (1985 = 100)
	FEAV	FEAN	FEAX	FEAP	FEAJ	DKCJ	FEAL	FEAQ	FEAZ
1984	104	100	95	98	93	100	100	98.9	102.9
1985	96	96	100	103	100	97	98	100.0	100.0
1986	97	100	97†	99	100	97	99	103.3	108.2
1987	102†	105	96	106	104	100	105	111.4	128.8[4]
1988	110	115	105	127†	115	108	119†	119.5	134.0
1985 Q2	99	87	100	108	99	99	94	99.9	100.7
Q3	100	100	102	102	98	101	101	98.8	96.8
Q4	96	93	100	95	102	97	96	100.8	104.0
1986 Q1	95	100	98	97	102	96	99	98.7	104.1
Q2	97	99	95	89	95	96	95	103.3	106.8
Q3	96	96	93	93	98	95	95	104.4	114.2
Q4	97	104	98	117	103	97	109	106.6	107.6
1987 Q1	98	100	100	110	99	99	103	110.0	115.9
Q2	97	98	98	102	102	98	99	108.4	117.5
Q3	98	107	97	102	104	98	105	111.7	165.8[4]
Q4	102	115	96	110	109	100	113	115.5	116.0
1988 Q1	108	118	107	139	107	108	125	120.3	138.7
Q2	111	113	105	116	112	108	114	118.8	125.7
Q3	112	119	103†	122†	120	108†	119†	118.0	130.2
Q4	110†	111	105	130	120	108	119	120.9	141.4
1989 Q1	123	125	121	169	116†	122	147	125.0	133.9†
Q2	124	..	119	124	119	122	119	..	137.3
1987 Jan	97	94	102	133	95	99	108	..	123.9
Feb	98	109	101	98	103	100	105	..	110.0
Mar	99	101	100	105	104	99	102	..	113.9
Apr	97	85	97	74	99	97	82	..	112.5
May	97	96	97	114	101	97	102	..	129.8
Jun	98	104	98	111	99	98	107	..	110.1
Jul	97	94	97	90	98	97	93	..	230.9[4]
Aug	98	114	98	113	107	98	114	..	143.9
Sep	98	109	97	103	106	98	107	..	122.6
Oct	99	112	97	111	109	99	112	..	116.3
Nov	101	118	97	112	110	99	116	..	113.1
Dec	103	122	96	107	112	100	117	..	118.4
1988 Jan	108	139	105	180	103	107	153	..	135.0
Feb	107	98	106	112	105	107	103	..	144.3
Mar	108	117	107	126	113	108	119†	..	136.9
Apr	108	101	107	119	109	107	107	..	127.2
May	110	125	107	114	110	109	121	..	123.3
Jun	111	114	105	114	117	108	114	..	126.4
Jul	112	121	103†	106†	115	108†	115	..	129.6
Aug	113	121	103	125	118	109	123	..	127.6
Sep	112	113	103	134	126	108	121	..	133.5
Oct	110†	103	102	116	119	107	111	..	138.1
Nov	111	119	105	147	120	108	128	..	148.3
Dec	110	111	105	128	121	108	119	..	137.7
1989 Jan	119	147	114	198	115†	117	175	..	143.6
Feb	118	96	120	175	114	119	126	..	131.3
Mar	123	132	121	133	118	122	141	..	126.8†
Apr	126	127	122	132	116	125	133	..	144.1
May	125	..	120	115	120	123	109	..	123.6
Jun	124	..	119	124	123	122	115	..	144.0

1 Mechanical, instrument and electrical engineering (SIC classes 32, 33, 34 and 37).

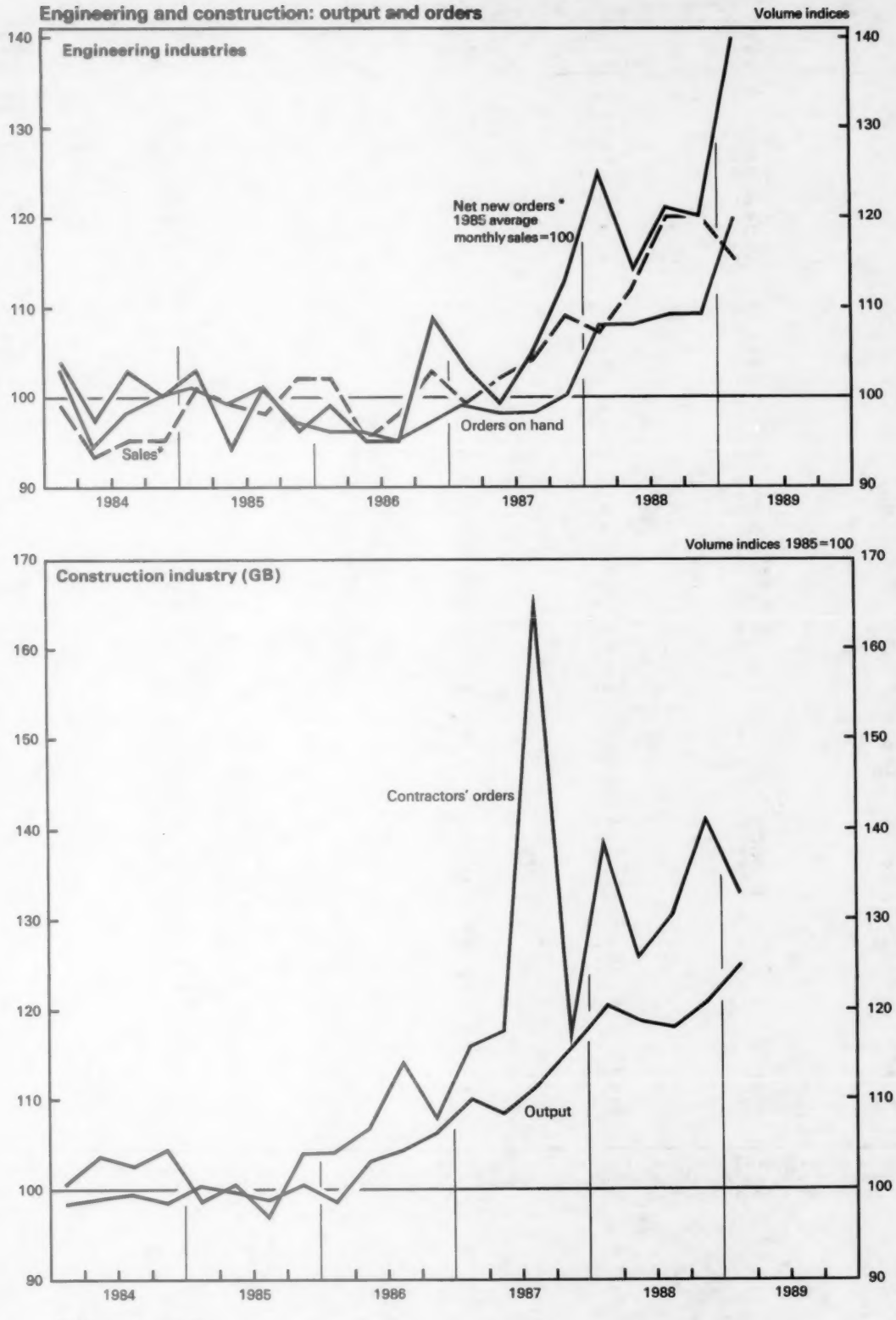
2 Net of cancellations.

3 This index is based on a gross output series which includes repair and maintenance estimates, unrecorded output by self-employed workers and small firms and output by the direct labour departments of the public sector.

4 Includes the Channel Tunnel project. Excluding the project, the level of orders would have been 137.4 in July 1987, 134.6 in third quarter 1987 and 121.0 in 1987 as a whole.

Sources: Department of Trade and Industry; Department of the Environment

Engineering and construction: output and orders



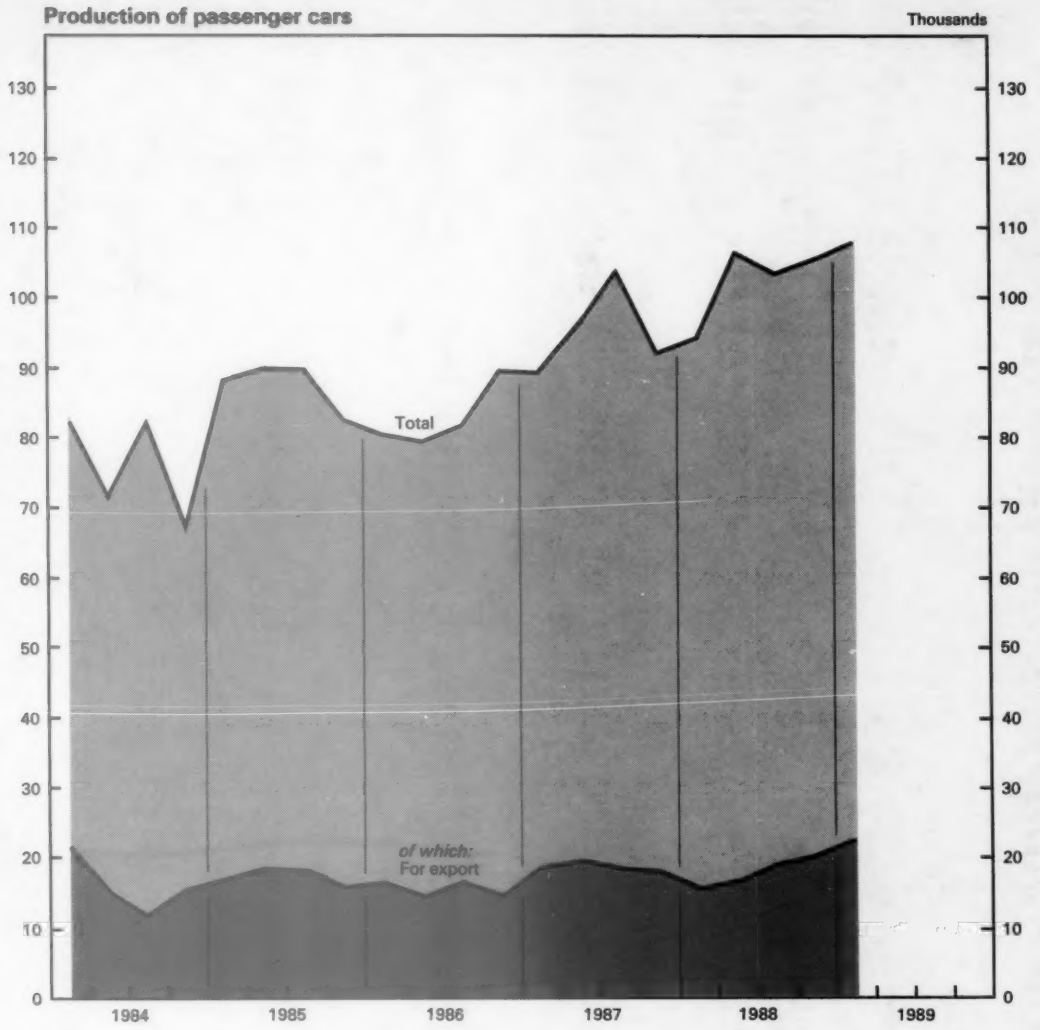
*See footnote [2] on page 32

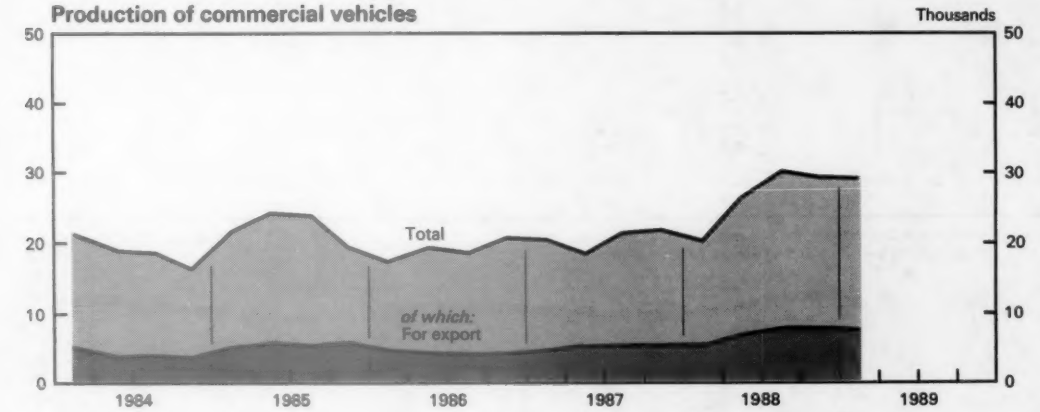
19 Motor vehicle production[1] and steel production and consumption

	Passenger cars+		Commercial vehicles+		Crude steel production[2] (thousand tonnes)	Finished steel consumption (thousand tonnes)
	Total production (thousands)	Of which for export (thousands)	Total production (thousands)	Of which for export (thousands)		
	FFAO	FFAP	FFAQ	FFAR	FFAM	FFAN
1977	104.3	46.9	33.3	16.4	20 385	15 300
1978	89.3	41.2	32.0	14.1	20 237	15 710
1979	77.0	32.8	34.0	13.5	21 411	15 480
1980	77.0	29.1	32.4	13.0	11 387	12 770
1981	79.5	25.4	19.2	9.5	15 308	12 440
1982	74.0	18.8	22.4	7.7	13 644	12 240
1983	87.0	19.8	20.4	5.2	14 933	11 510
1984	75.7	16.0	18.7	4.1	15 076	11 340
1985	87.6	17.3	22.2	5.5	15 718	11 560
1986	85.1	15.5	19.0	4.2	14 723	11 840
1987	95.3	18.9	20.6	5.1	17 726	12 330
1988	102.2	17.8	26.5	7.0	18 870	14 480
1985 Q1	88.2	16.8	21.2	5.1	3 714.0	2 820
Q2	90.0	18.4	24.1	5.6	4 117.0	2 820
Q3	89.9	18.2	23.9	5.4	3 920.0	2 910
Q4	82.5	15.8	19.4	5.8	3 965.0	3 010
1986 Q1	80.2	16.2	17.2	4.8	3 787.0	2 950
Q2	84.3	14.8	19.4	4.2	3 256.0	3 010
Q3	86.6	16.3	18.8	3.8	3 436.0	2 960
Q4	89.4	14.8	20.7	3.9	4 244.0	2 890
1987 Q1	89.2	18.8	20.4	4.5	3 989.0	2 870
Q2	96.3	19.6	18.7	5.1	4 392.0	3 030
Q3	103.5	18.8	21.3	5.3	4 673.0	3 260
Q4	92.1	18.2	21.8	5.3	4 672.0	3 170
1988 Q1	93.9	15.6	20.2	5.3	4 751.0	3 550
Q2	106.5	16.5	26.4	7.0	4 694.0	3 650
Q3	103.3	19.1	30.1	7.9	4 675.0	3 610
Q4	105.2	20.2	29.3	7.9	4 727.3	3 670
1989 Q1	107.7	22.5	29.2	7.7	4 854.0	3 790†
Q2	113.6†	25.9†	28.4†	8.2†	4 707.0†	4 020
1987 May	97.2	20.2	19.2	5.4	1 281.0	..
Jun	101.2	20.1	19.3	5.0	1 388.0	..
Jul	102.0	19.8	19.2	4.9	1 674.0*	..
Aug	105.8	17.6	21.7	5.3	1 318.0	..
Sep	102.6	19.1	23.0	5.8	1 681.0*	..
Oct	95.4	19.0	21.5	5.0	1 390.0	..
Nov	86.2	17.6	21.3	5.1	1 425.0	..
Dec	94.7	18.0	22.5	5.7	1 856.0*	..
1988 Jan	96.1	16.3	22.0	5.8	1 622.0	..
Feb	82.0	15.6	16.1	3.7	1 446.0	..
Mar	103.6	14.8	22.5	6.4	1 682.0*	..
Apr	102.5	16.7	24.1	6.2	1 432.0	..
May	103.6	14.8	25.8	6.5	1 513.0	..
Jun	113.4	18.0	29.2	8.4	1 749.0*	..
Jul	106.1	18.1	29.0	8.5	1 514.0	..
Aug	102.7	19.0	33.2	7.5	1 420.0	..
Sep	101.2	20.2	28.1	7.7	1 742.0*	..
Oct	105.9	22.7	29.1	8.0	1 470.0	..
Nov	111.2	22.1	29.9	7.9	1 805.0*	..
Dec	98.6	15.7	29.0	7.8	1 453.0	..
1989 Jan	112.3	23.6	30.6	7.0	1 623.0	..
Feb	106.1	22.6	29.3	8.8	1 503.0	..
Mar	104.8	21.4	27.7	7.4	1 728.0	..
Apr	121.8	26.3	31.6	10.1	1 430.8	..
May	108.2	28.7	28.2	6.9	1 829.0†	..
Jun	110.9†	22.7†	25.5†	7.5†	1 447.2	..
Jul	..	..	..	..	1 569 6	..

1 Annual and quarterly figures are monthly averages.
2 The totals are for 'usable steel' in accordance with the system used by the EC and the International Iron and Steel Institute.

Source: Department of Trade and Industry


Production of passenger cars
Thousands
130
120
110
100
90
80
70
60
50
40
30
20
10
0
Total
of which:
For export
1984
1985
1986
1987
1988
1989


Production of commercial vehicles
Thousands
50
40
30
20
10
0
Total
of which:
For export
1984
1985
1986
1987
1988
1989

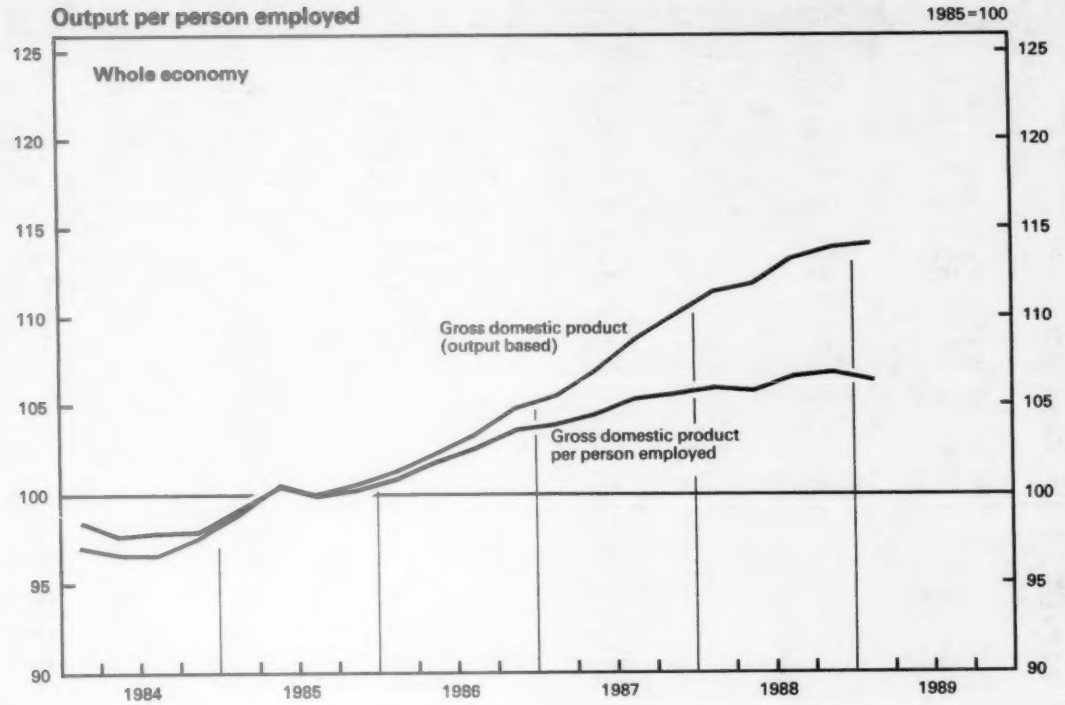
20 Output per person employed

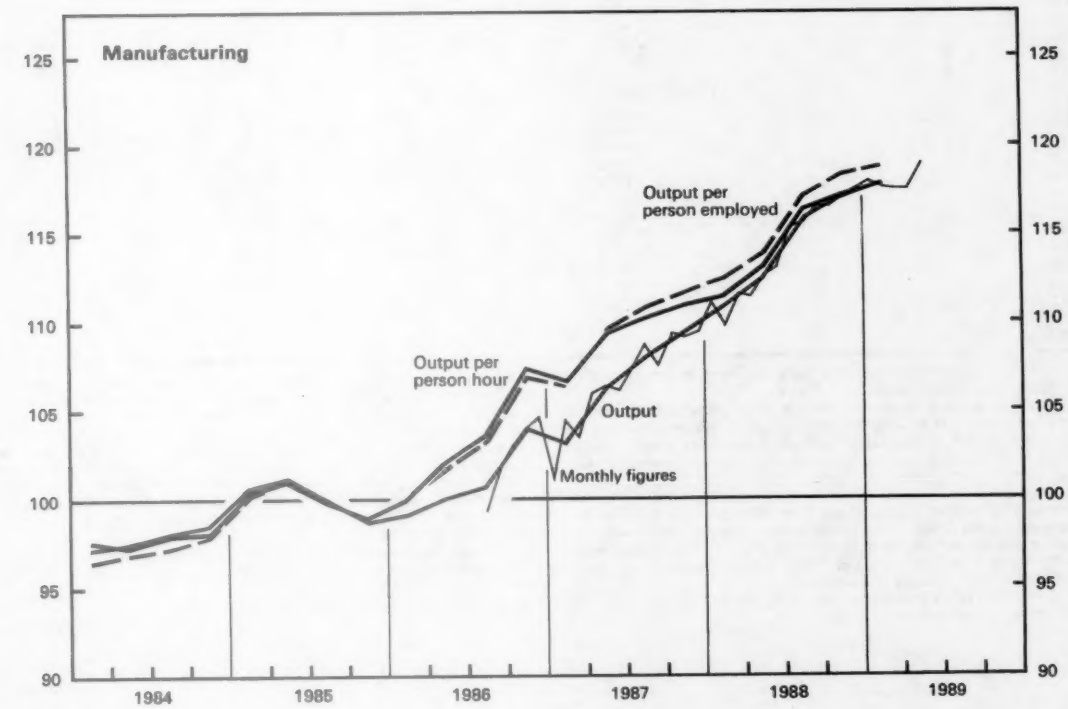
1985 = 100

	Employed labour force[1]			Output per person employed[2]			Output per hour in manufacturing industries
	Whole economy	Total production industries	Manufacturing industries	Whole economy	Total production industries	Manufacturing industries	
	DMBC	DMBK	DMBD	DMBE	CAIW	DMBF	DMBH
1984	98.8	100.8	100.5	98.4	94.1	97.2	97.7
1985	100.0	100.0	100.0	100.0	100.0	100.0	100.0
1986	100.6	97.3	98.0	102.3	105.0	103.0	103.3
1987	102.8	96.1	97.2	104.9	110.1	109.7	109.3
1988	106.0	97.0	98.7	106.3	112.9	115.5	114.5
1985 Q4	100.3	99.4	99.7	100.3	100.6	98.9	98.8
1986 Q1	100.3	98.7	99.1	101.0	102.8	100.0	100.0
Q2	100.4	97.6	98.3	101.9	104.2	101.9	102.2
Q3	100.6	96.8	97.4	102.7	105.8	103.3	103.6
Q4	101.0	96.3	97.1	103.7	107.2	107.0	107.5
1987 Q1	101.5	95.8	96.7	104.0	108.4	106.6	106.7
Q2	102.3	95.9	96.9	104.6	109.5	109.6	109.4
Q3	103.2	96.2	97.4	105.4	110.6	110.8	110.3
Q4	104.1	96.5	97.9	105.7	111.7	111.7	110.9
1988 Q1	105.1	96.9	98.5	106.0	111.3	112.4	111.5
Q2	105.7	97.0	98.8	105.8	112.7	113.8	113.2
Q3	106.3	97.0	98.9	106.6	113.9	117.2	116.4
Q4	106.7	97.0	98.8	106.8	113.8	118.4	117.2
1989 Q1	107.2	96.9	99.1	106.4	112.7†	119.4†	118.4†
Q2	..	96.5†	98.5†	..	112.3	120.1	119.4
1988 Feb	..	..	98.6	..	..	111.3	110.5
Mar	..	..	98.7	..	..	112.9	112.1
Apr	..	..	98.7	..	..	112.8	112.1
May	..	..	98.8	..	..	114.0	113.3
Jun	..	..	98.8	..	..	114.6	114.1
Jul	..	..	98.8	..	..	116.7	115.9
Aug	..	..	98.9	..	..	117.0	116.1
Sep	..	..	98.9	..	..	117.8	117.1
Oct	..	..	98.7	..	..	118.1	116.9
Nov	..	..	98.8	..	..	118.5	117.3
Dec	..	..	99.0	..	..	118.7	117.5
1989 Jan	..	..	99.2	..	..	119.8†	118.3†
Feb	..	..	99.1	..	..	119.1	118.2
Mar	..	..	98.9	..	..	119.2	118.6
Apr	..	..	98.7†	..	..	118.9	118.1
May	..	..	98.4	..	..	121.1	120.5
Jun	..	..	98.5	..	..	120.3	119.7
Percentage change, quarter on corresponding quarter of previous year							
1985 Q4	*1.1*	*-1.1*	*-0.7*	*1.9*	*6.6*	*1.0*	*0.7*
1986 Q1	*0.7*	*-1.8*	*-1.1*	*1.7*	*5.4*	*-0.3*	*-0.3*
Q2	*0.5*	*-2.6*	*-1.8*	*1.4*	*2.8*	*1.0*	*1.2*
Q3	*0.4*	*-3.1*	*-2.5*	*2.8*	*5.2*	*3.4*	*3.8*
Q4	*0.7*	*-3.2*	*-2.6*	*3.5*	*6.6*	*8.2*	*8.8*
1987 Q1	*1.2*	*-2.9*	*-2.5*	*3.0*	*5.5*	*6.6*	*6.7*
Q2	*1.9*	*-1.8*	*-1.4*	*2.6*	*5.2*	*7.6*	*7.0*
Q3	*2.6*	*-0.6*	-	*2.6*	*4.6*	*7.3*	*6.5*
Q4	*3.1*	*0.2*	*0.8*	*1.8*	*4.2*	*4.4*	*3.2*
1988 Q1	*3.5*	*1.2*	*1.9*	*1.9*	*2.6*	*5.5*	*4.4*
Q2	*3.3*	*1.2*	*1.9*	*1.2*	*2.8*	*3.9*	*3.5*
Q3	*3.0*	*0.9*	*1.5*	*1.1*	*3.0*	*5.8*	*5.5*
Q4	*2.5*	*0.5*	*1.0*	*1.1*	*1.8*	*6.1*	*5.7*
1989 Q1	*2.0*	-	*0.5*	*0.4*	*1.3*†	*6.2*†	*6.2*†
Q2	..	*-0.5*†	*-0.2*†	..	*-0.3*	*5.5*	*5.5*

1 Comprises employees in employment, the self-employed and HM Forces.
2 The ratios do not take into account part-time working or hours of work.

Sources: Department of Employment; Central Statistical Office


Output per person employed
1985=100
Whole economy
Gross domestic product (output based)
Gross domestic product per person employed
125
120
115
110
105
100
95
90
1984
1985
1986
1987
1988
1989


Manufacturing
Output per person employed
Output per person hour
Output
Monthly figures
125
120
115
110
105
100
95
90
1984
1985
1986
1987
1988
1989

21 National employment and unemployment [1]

	Workforce[2,3] (thousands)	Workforce in employment[2,3,4] (thousands)	Employees in employment[2,3,4] (thousands)	Unemployed[5] Total (thousands)	Unemployed[5] Percentage of workforce[6]	Vacancies at job centres+[7] (thousands)	Employees in employment (GB) (thousands) Manufacturing industry	Employees in employment (GB) (thousands) Production industry	Total unemployed[5] (thousands) (NSA)
	DYDD	DYDC	BCAJ	BCJD	BCJE	DPCB	BCHK	DYCP	BCJA
1983	26 634	23 613	21 053	2 790.5	*10.4*	137.3	5 430	6 069	3 104.7
1984	27 307	24 224	21 227	2 920.6	*10.7*	150.2	5 315	5 922	3 159.8
1985	27 821	24 608	21 498	3 035.7	*10.9*	162.1	5 272	5 852	3 271.2
1986	28 063	24 744	21 570	3 107.2	*11.1*	188.3	5 146	5 676	3 289.1
1987	28 360	25 368	21 878	2 822.3	*10.1*	235.0	5 079	5 569	2 953.4
1988	28 628	26 203	22 560	2 294.5	*8.2*	245.1	5 150	5 613	2 370.4
1989	..	..	..	..	..	..	7 825	9 022	..
1986 Q3	28 173	24 891	21 598	3 126.0	*11.2*	..	5 108	5 627	3 297.5
Q4	28 192	24 978	21 637	3 080.6	*11.1*	..	5 084	5 593	3 227.7
1987 Q1	28 201	25 074	21 698	3 010.5	*10.8*	..	5 053	5 547	3 222.1
Q2	28 360	25 368	21 878	2 900.5	*10.4*	..	5 079	5 569	2 999.6
Q3	28 486	25 651	22 057	2 765.8	*9.9*	..	5 090	5 579	2 880.8
Q4	28 552	25 872	22 266	2 612.3	*9.4*	..	5 116	5 601	2 710.9
1988 Q1	28 655	26 089	22 475	2 486.1	*8.8*	..	5 150	5 622	2 659.9
Q2	28 628	26 203	22 560	2 363.6	*8.4*	..	5 150	5 613	2 434.6
Q3	28 628	26 371	22 671	2 228.2	*7.9*	..	5 150	5 610	2 309.6
Q4	28 550	26 507	22 739	2 100.2	*7.6*	..	5 152	5 608	2 077.4
1989 Q1	28 604	26 685	22 848	1 951.0	*7.0*	..	5 147	5 593	2 017.6
Q2	..	..	..	1 834.7†	*6.5*	..	7 825	9 022	1 809.7
1987 May	..	..	..	2 890.5	*10.2*	231.6	5 063	5 550	2 986.5
Jun	..	..	..	2 857.2	*10.1*	233.7	5 079	5 569	2 905.3
Jul	..	..	..	2 812.6	*9.9*	235.3	5 081	5 568	2 906.5
Aug	..	..	..	2 766.6	*9.8*	237.7	5 087	5 574	2 865.8
Sep	..	..	..	2 718.1	*9.6*	244.4	5 090	5 579	2 870.2
Oct	..	..	..	2 663.9	*9.4*	259.9	5 101	5 585	2 751.4
Nov	..	..	..	2 604.4	*9.2*	265.1	5 112	5 596	2 685.6
Dec	..	..	..	2 568.6	*9.1*	254.9	5 116	5 601	2 695.8
1988 Jan	..	..	..	2 519.4	*8.8*	250.8	5 133	5 613	2 722.2
Feb	..	..	..	2 485.0	*8.7*	249.6	5 144	5 620	2 665.5
Mar	..	..	..	2 453.9	*8.6*	249.4	5 150	5 622	2 592.1
Apr	..	..	..	2 402.9	*8.4*	255.9	5 151	5 614	2 536.0
May	..	..	..	2 363.8	*8.3*	254.5	5 152	5 613	2 426.9
Jun	..	..	..	2 324.1	*8.1*	255.1	5 150	5 613	2 340.8
Jul	..	..	..	2 267.3	*7.9*	249.7	5 153	5 612	2 326.7
Aug	..	..	..	2 225.6	*7.8*	242.8	5 155	5 614	2 291.2
Sep	..	..	..	2 191.7	*7.7*	240.3	5 150	5 610	2 311.0
Oct	..	..	..	2 157.9	*7.6*	251.2	5 141	5 597	2 118.9
Nov	..	..	..	2 105.2	*7.4*	245.2	5 144	5 599	2 066.9
Dec	..	..	..	2 037.4	*7.1*	238.3	5 152	5 608	2 046.5
1989 Jan	..	..	..	1 987.8	*7.0*	229.2	5 162	5 615	2 074.3
Feb	..	..	..	1 948.7	*6.8*	228.1	5 155	5 606	2 018.2
Mar	..	..	..	1 916.8	*6.7*	222.9	5 147	5 593	1 960.2
Apr	..	..	..	1 858.0	*6.5*	222.1	5 130	5 571	1 883.6
May	..	..	..	1 835.8	*6.4*	218.2	5 115	5 553	1 802.5
Jun	..	..	..	1 810.3†	*6.3*	226.4	..	..	1 743.1
Jul	..	..	..	1 789.0	*6.3*†	219.9†	..	..	1 771.4†

1 Unemployment figures do not include students registered for temporary employment during a current vacation.

2 The workforce consists of the workforce in employment and the unemployed (claimants); the workforce in employment comprises employees in employment, the self-employed, HM Forces and participants in work-related government training programmes. For an explanation of the changes to the presentation of employment statistics see *Employment Gazette* August 1988, page S6.

3 Estimates of employees in employment from December 1984 onwards include an allowance based on the Labour Force Survey to compensate for persistent undercounting in the regular sample enquiries (see *Employment Gazette*, January 1987). For all dates, individuals with two jobs as employees of different employers are counted twice.

4 Annual estimates relate to mid-year. Figures for the four quarters relate to March, June, September and December.

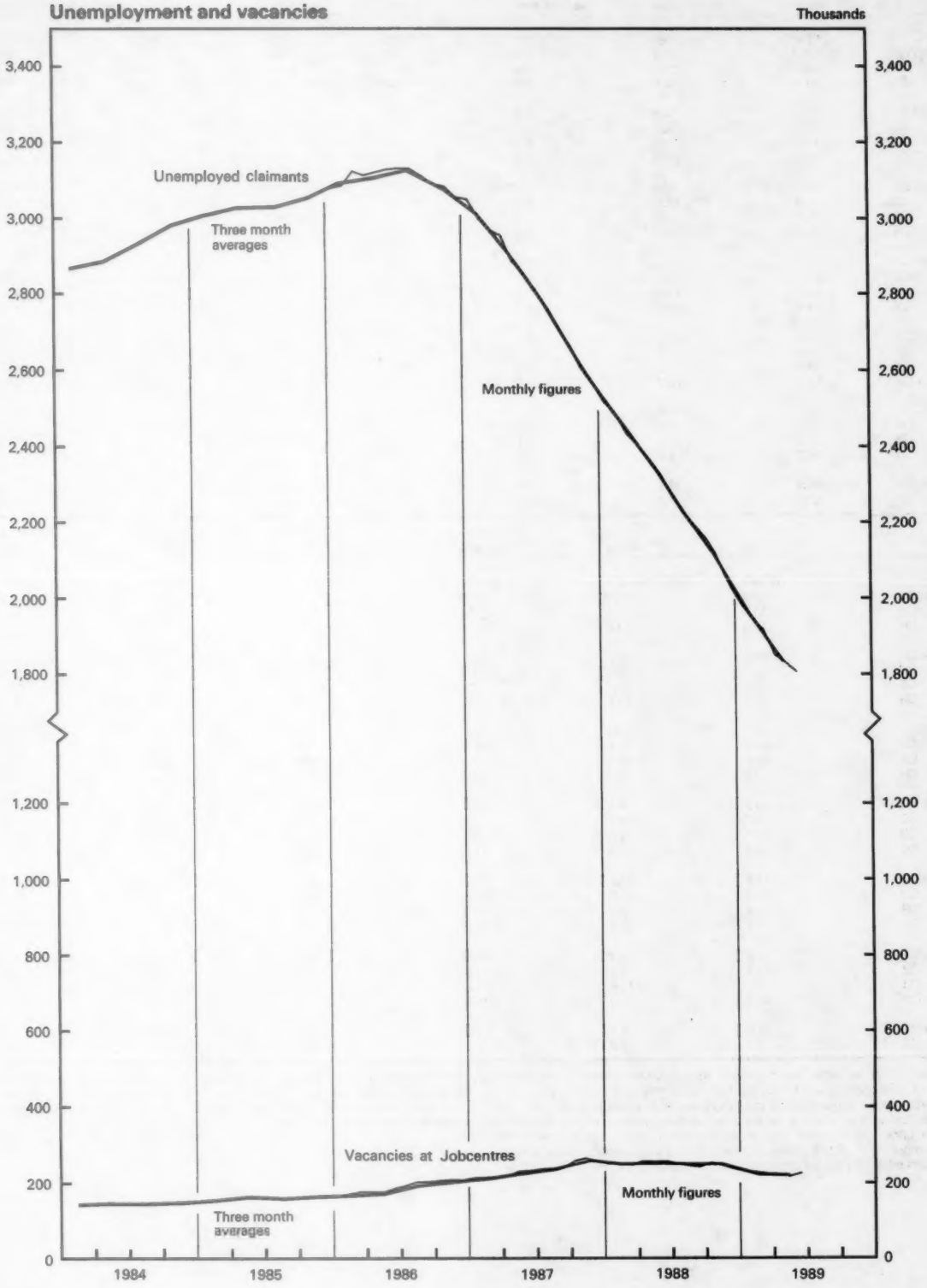
5 Unadjusted unemployment figures have been affected by changes in the coverage. The seasonally adjusted figures however, as given in this table, are estimated on the current basis, allowing for the discontinuities, and are therefore recommended for the purposes of assessing trends. The seasonally adjusted figures now relate only to claimants aged 18 or over in order to maintain the consistent series, available back to 1971 (1974 for the regions), allowing for the effect of the change in benefit regulations for under 18 year olds from September 1988. (See page 660 of the December 1988 *Employment Gazette* . See also page 422 of the October 1986 edition for the list of previous discontinuities taken into account.)

Note: Quarter figures relate to January, April, July and October.

6 The denominator used to calculate unemployment rates is the workforce - see footnote 2.

7 Vacancies notified to job centres and remaining unfilled.

Source: Department of Employment


Unemployment and vacancies
Thousands
3,400
3,200
3,000
2,800
2,600
2,400
2,200
2,000
1,800
1,200
1,000
800
600
400
200
0
Unemployed claimants
Three month averages
Monthly figures
Vacancies at Jobcentres
Three month averages
Monthly figures
1984
1985
1986
1987
1988
1989

22 Regional unemployment rates [1]

Percentages

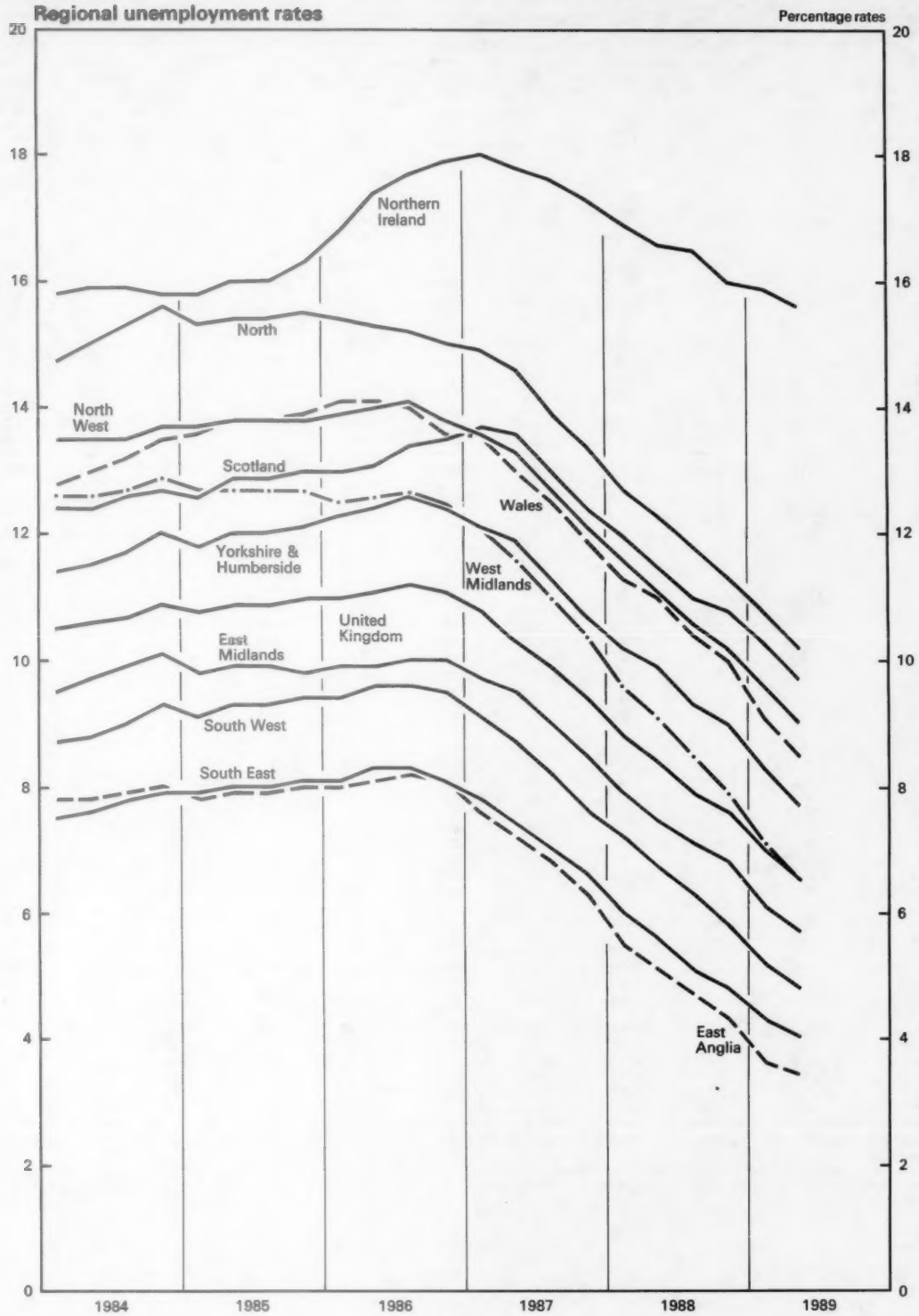
	North	Yorkshire and Humberside	East Midlands	East Anglia	South East	South West	West Midlands
	DPBH	DPBI	DPBJ	DPBK	DPBL	DPBM	DPBN
1983 Q2	14.5	11.4	9.4	8.0	7.4	8.6	12.9
Q3	14.7	11.5	9.6	8.0	7.6	8.8	13.0
Q4	14.8	11.5	9.6	8.1	7.6	8.9	12.8
1984 Q1	14.7	11.4	9.5	7.8	7.5	8.7	12.6
Q2	15.0	11.5	9.7	7.8	7.6	8.8	12.6
Q3	15.3	11.7	9.9	7.9	7.8	9.0	12.7
Q4	15.6	12.0	10.1	8.0	7.9	9.3	12.9
1985 Q1	15.3	11.8	9.8	7.8	7.9	9.1	12.7
Q2	15.4	12.0	9.9	7.9	8.0	9.3	12.7
Q3	15.4	12.0	9.9	7.9	8.0	9.3	12.7
Q4	15.5	12.1	9.8	8.0	8.1	9.4	12.7
1986 Q1	15.4	12.3	9.9	8.0	8.1	9.4	12.5
Q2	15.3	12.4	9.9	8.1	8.3	9.6	12.6
Q3	15.2	12.6	10.0	8.2	8.3	9.6	12.7
Q4	15.0	12.4	10.0	8.1	8.1	9.5	12.5
1987 Q1	14.9	12.1	9.7	7.6	7.8	9.1	12.1
Q2	14.6	11.9	9.5	7.2	7.4	8.7	11.6
Q3	13.9	11.3	9.0	6.8	7.0	8.2	11.0
Q4	13.4	10.7	8.5	6.3	6.6	7.6	10.4
1988 Q1	12.7	10.2	7.9	5.5	6.0	7.2	9.6
Q2	12.3	9.9	7.6	5.1	5.6	6.7	9.1
Q3	11.8	9.4	7.1	4.7	5.1	6.3	8.5
Q4	11.3	9.0	6.8	4.3	4.8	5.8	7.9
1989 Q1	10.8	8.3	6.1	3.6	4.3	5.2	7.1
Q2	10.2	7.7	5.7	3.4	4.0	4.8	6.5

	North West	Wales	Scotland	Great Britain	Northern Ireland	United Kingdom
	DPBO	DPBP	DPBQ	DPAJ	DPBR	BCJE
1983 Q2	13.3	12.9	12.2	10.3	15.3	10.4
Q3	13.4	12.9	12.4	10.4	15.6	10.6
Q4	13.5	13.0	12.4	10.5	15.8	10.6
1984 Q1	13.5	12.8	12.4	10.3	15.8	10.5
Q2	13.5	13.0	12.4	10.4	15.9	10.6
Q3	13.5	13.2	12.6	10.6	15.9	10.7
Q4	13.7	13.5	12.7	10.8	15.8	10.9
1985 Q1	13.7	13.6	12.6	10.7	15.8	10.8
Q2	13.8	13.8	12.9	10.8	16.0	10.9
Q3	13.8	13.8	12.9	10.8	16.0	10.9
Q4	13.8	13.9	13.0	10.8	16.3	11.0
1986 Q1	13.9	14.1	13.0	10.9	16.8	11.0
Q2	14.0	14.1	13.1	11.0	17.4	11.1
Q3	14.1	14.0	13.4	11.0	17.7	11.2
Q4	13.8	13.6	13.5	10.9	17.9	11.1
1987 Q1	13.6	13.6	13.7	10.6	18.0	10.8
Q2	13.3	13.0	13.6	10.3	17.8	10.4
Q3	12.7	12.5	13.0	9.8	17.6	9.9
Q4	12.1	11.9	12.4	9.2	17.3	9.4
1988 Q1	11.6	11.3	12.0	8.6	16.9	8.8
Q2	11.1	11.0	11.5	8.2	16.6	8.4
Q3	10.6	10.4	11.0	7.7	16.5	7.9
Q4	10.2	10.0	10.8	7.3	16.0	7.6
1989 Q1	9.6	9.1	10.3	6.7	15.9	7.0
Q2	9.0	8.5	9.7	6.3	15.6	6.5

Note: Figures shown are at January, April, July and October respectively.

1 The seasonally adjusted figures now relate only to claimants aged 18 or over in order to maintain the consistent series, available back to 1971 (1974 for the regions), allowing for the effect of the change in benefit regulations for under 18 year olds from September 1988. (See page 660 of the December 1988 *Employment Gazette* . See also page 422 of the October 1986 edition for the list of previous discontinuities taken into account.) The denominators used to calculate unemployment rates are the sum of the appropriate mid-year estimates of employees in employment and the unemployed, the self-employed, HM Forces and participants in work-related government training programmes. Recent figures are based on mid-1987 estimates.

Source: Department of Employment


Regional unemployment rates
Percentage rates
20
18
16
14
12
10
8
6
4
2
0
Northern Ireland
North
North West
Scotland
Wales
Yorkshire & Humberside
West Midlands
United Kingdom
East Midlands
South West
South East
East Anglia
1984
1985
1986
1987
1988
1989

23 Average earnings

1985 = 100

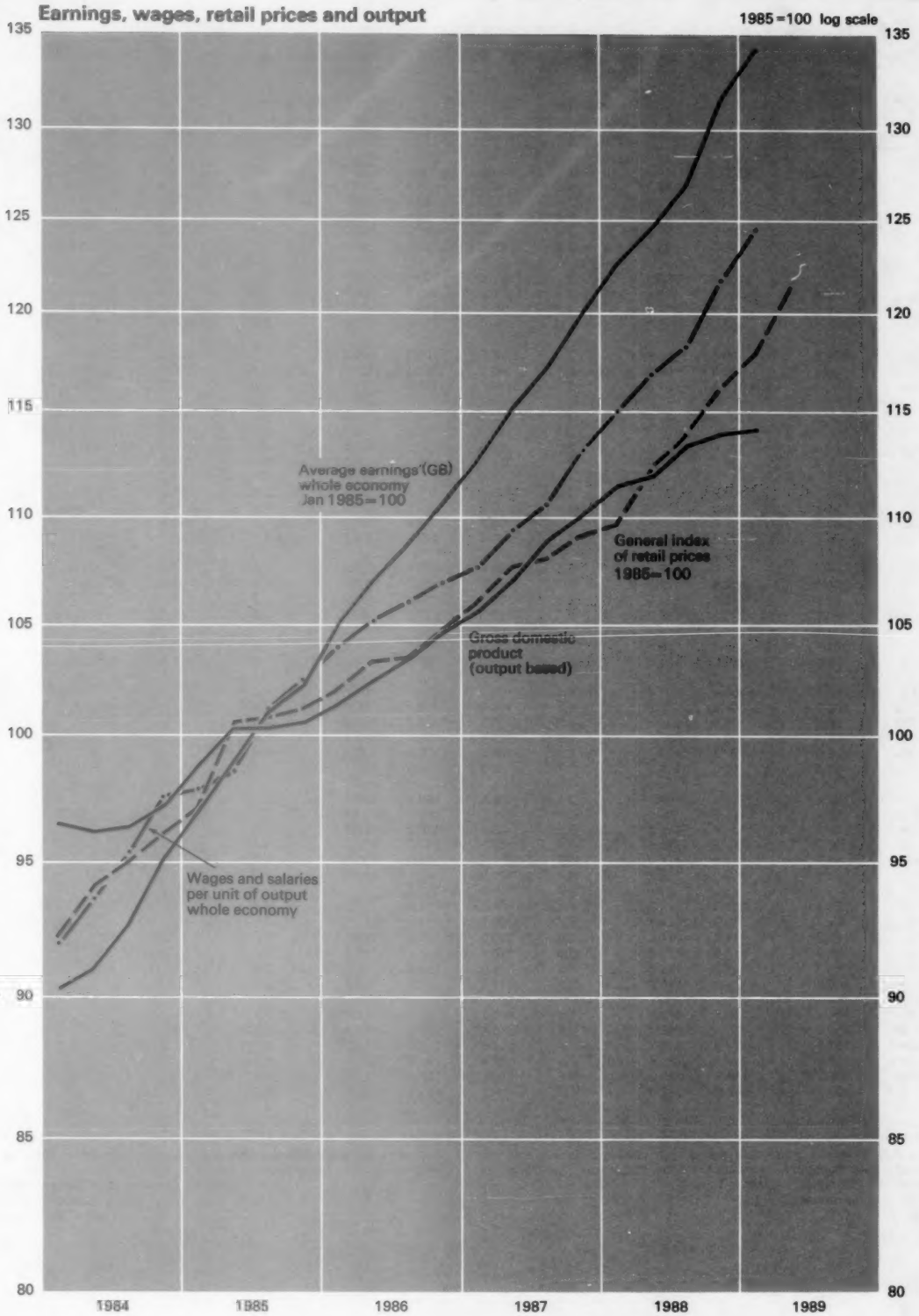
	Average earnings (GB)[1]								Wages and salaries per unit of output	
	Whole economy	Underlying trend	Production industries	Underlying trend	Manufacturing industry	Underlying trend	Service industries	Underlying trend	Whole economy[3]	Manufacturing industry
	DNAA		DNAE		DNAC		DNDU	DNDX	DJDO	DMBG
1984	92.2		89.8		91.7		94.0†	..	94.6	94.3
1985	100.0		100.0		100.0		100.0	..	100.0	100.0
1986	107.9		108.0		107.7		107.7	..	105.5	104.5
1987	116.3		116.7		116.3		116.0	..	110.2	106.1
1988	126.4		126.5		126.2		126.2	..	118.0	109.2
	DNAB	DNEM	DNAF	DNEN	DNAD	DNEO	DNDV			
1985 Q4	102.5	*7.50*	103.1	*8.75*	102.8	*8.75*	102.2†	..	102.4	103.9
1986 Q1	105.1	*7.50*	105.2	*8.50*	104.7	*8.25*	104.7	..	104.0	104.7
Q2	107.0	*7.50*	106.8	*8.17*	106.7	*7.75*	107.3	..	105.1	104.7
Q3	108.6	*7.50*	108.6	*7.83*	108.2	*7.75*	108.5	..	106.0	104.8
Q4	110.7	*7.67*	111.3	*7.92*	111.0	*7.83*	110.3	..	106.8	103.7
1987 Q1	112.7	*7.50*	113.2	*7.92*	112.8	*7.92*	111.9	..	107.6	105.9
Q2	115.1	*7.75*	115.2	*8.08*	114.9	*8.08*	115.4	..	109.3	104.9
Q3	117.2	*7.75*	117.7	*8.25*	117.4	*8.42*	116.7	..	110.6	105.9
Q4	120.0	*8.25*	120.5	*8.25*	120.2	*8.25*	119.7	..	113.1	107.6
1988 Q1	122.6	*8.50*	121.8	*8.42*	122.0	*8.50*	122.6	..	114.9	108.5
Q2	124.6	*8.58*	125.6	*8.67*	125.0	*8.83*	124.3	..	116.9	109.8
Q3	127.0	*9.17*	127.5	*8.92*	127.0	*8.83*	126.4	..	118.3	108.3
Q4	131.5	*8.83*	131.0	*8.83*	130.6	*8.67*	131.7	..	121.9	110.2
1989 Q1	134.0	*9.17*	133.5	*9.17*	133.3	*9.00*	..	..	124.4	111.6†
Q2	136.2†	*9.17*†	136.7†	*9.17*†	136.1†	*9.00*†	..	..	..	113.3
1986 Dec	111.2	*7.75*	112.4	*8.00*	112.1	*8.00*	110.3†	7.50†	..	103.8
1987 Jan	112.1	*7.50*	112.7	*7.75*	112.2	*7.75*	111.2	7.50	..	107.5
Feb	112.8	*7.50*	113.5	*8.00*	113.1	*8.00*	111.6	7.25	..	104.5
Mar	113.2	*7.50*	113.4	*8.00*	113.2	*8.00*	112.9	7.25	..	105.7
Apr	114.2	*7.75*	114.6	*8.00*	114.4	*8.00*	114.0	7.75	..	104.3
May	115.4	*7.75*	115.2	*8.00*	114.7	*8.00*	116.3	7.75	..	104.4
Jun	115.7	*7.75*	115.7	*8.25*	115.7	*8.25*	116.0	7.50	..	105.9
Jul	117.0	*7.75*	116.9	*8.25*	116.9	*8.25*	116.8	7.25	..	106.0
Aug	117.1	*7.75*	117.7	*8.25*	117.0	*8.50*	116.8	7.25	..	104.7
Sep	117.4	*7.75*	118.6	*8.25*	118.2	*8.50*	116.5	7.50	..	107.2
Oct	118.8	*8.00*	119.9	*8.25*	119.4	*8.25*	118.2	8.00	..	106.7
Nov	120.2	*8.25*	120.1	*8.25*	119.8	*8.25*	120.4	8.50	..	107.4
Dec	121.0	*8.50*	121.5	*8.25*	121.4	*8.25*	120.6	8.50	..	108.7
1988 Jan	121.8	*8.50*	121.7	*8.50*	121.7	*8.50*	121.4	8.50	..	107.6
Feb	122.0	*8.50*	120.7	*8.50*	121.1	*8.50*	122.1	8.50	..	108.8
Mar	124.0	*8.50*	123.1	*8.25*	123.2	*8.50*	124.4	8.50	..	109.1
Apr	124.4	*8.50*	125.6	*8.50*	125.2	*8.75*	123.8	8.50	..	110.9
May	124.2	*8.50*	126.0	*8.50*	124.9	*8.75*	123.5	8.50	..	109.5
Jun	125.1	*8.75*	125.3	*9.00*	125.0	*9.00*	125.5	8.75	..	109.0
Jul	126.9	*9.00*	127.0	*9.00*	126.6	*9.00*	126.6	9.00	..	108.5
Aug	126.6	*9.25*	127.2	*9.00*	126.7	*8.75*	126.0	9.25	..	108.3
Sep	127.6	*9.25*	128.3	*8.75*	127.6	*8.75*	126.6	9.25	..	108.3
Oct	129.5	*9.00*	130.1	*8.75*	129.2	*8.50*	128.4	9.00	..	109.4
Nov	130.7	*8.75*	130.4	*8.75*	130.2	*8.75*	131.0	8.75	..	109.8
Dec	134.3	*8.75*	132.5	*9.00*	132.4	*8.75*	135.6	8.75	..	111.5
1989 Jan	133.3	*9.00*	133.2	*9.00*	133.2	*9.00*	132.7	9.00	..	111.2†
Feb	133.8	*9.25*	133.4	*9.25*	133.2	*9.00*	133.0	9.00	..	111.8
Mar	134.9	*9.25*	133.9	*9.25*	133.4	*9.00*	..	9.00	..	111.9
Apr	135.7	*9.25*	136.7	*9.25*	136.5	*9.00*	..	9.00	..	114.7
May	136.1†	*9.25*	137.2†	*9.25*	136.1†	*9.00*†	..	9.00	..	112.3
Jun	136.7	*9.00*†	136.3	*9.00*†	135.7	*9.00*	..	..	..	112.8

1 The seasonal adjustment factors currently used are based on data up to January 1988.

2 Estimated to the nearest quarter of one percentage point. For the derivation of recent underlying changes see 'Employment Topics' item in *Employment Gazette*, March 1989.

3 The method for calculating whole economy unit wage costs is described in *Employment Gazette*, May 1986.

Sources: Department of Employment; Central Statistical Office


Earnings, wages, retail prices and output
1985 = 100 log scale
135
130
125
120
115
110
105
100
95
90
85
80
Average earnings (GB) whole economy Jan 1985 = 100
General index of retail prices 1985 = 100
Gross domestic product (output based)
Wages and salaries per unit of output whole economy
1984
1985
1986
1987
1988
1989

24 Prices

1985 = 100

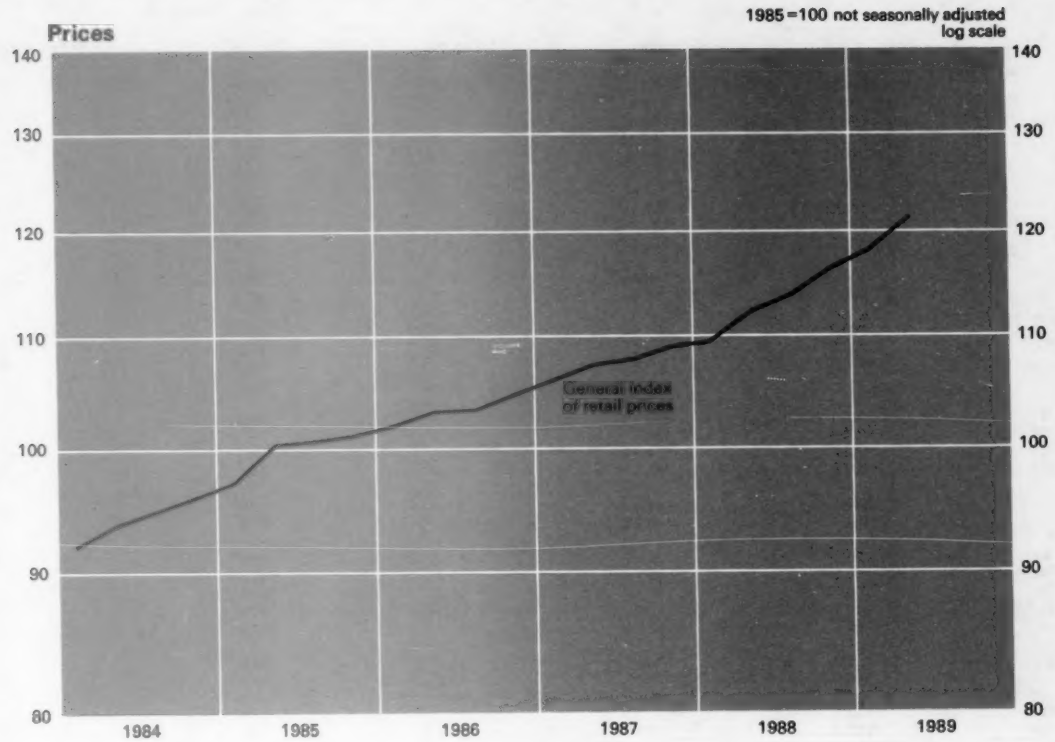
	Producer price index		General index of retail prices[1] (NSA)						Pensioner price index[2] (NSA)		
			All items				All items other than seasonal food				
	Materials and fuel purchased by manufacturing industry	Output: all manufactured products: home sales (NSA)	Index	Percentage increase on year earlier	Total food	Total non-food	Index	Percentage increase on year earlier	One-person household	Two-person household	Purchasing power of the pound[3] (NSA)
	DZDQ	DZCV	FRAG	FRAN	FRAH	FRAI	FRAK	FRAO	FRAL	FRAM	FJAK
1980	73.3	72.2	70.7	*18.0*	76.1	69.4	70.7	*18.4*	71.4	71.3	142
1981	80.1	79.1	79.1	*11.9*	82.5	78.2	79.1	*11.9*	79.5	79.5	127
1982	86.0	85.2	85.9	*8.6*	89.0	85.1	85.8	*8.5*	86.9	86.7	117
1983	91.9	89.8	89.8	*4.6*	91.8	89.4	89.8	*4.7*	90.8	90.7	111
1984	99.0	95.0	94.3	*5.0*	97.0	93.6	94.1	*4.7*	95.4	95.3	106
1985	100.0	100.0	100.0	*6.1*	100.0	100.0	100.0	*6.3*	100.0	100.0	100
1986	92.4	104.3	103.4	*3.4*	103.3	103.5	103.3	*3.3*	103.2	103.2	97
1987	95.3	108.3	107.7	*4.2*	106.4	108.0	107.6	*4.1*	105.6	105.8	93
1988	98.3	113.2	113.0	*4.9*	110.1	113.6	112.9	*5.0*	109.5	109.8	88
1985 Q2	101.8	99.9	100.6	*7.0*	100.9	100.5	100.4	*7.3*	100.4	100.4	99
Q3	98.6	100.5	100.8	*6.3*	99.8	101.1	101.0	*6.6*	100.3	100.3	99
Q4	96.4	101.4	101.3	*5.5*	100.4	101.6	101.4	*5.6*	101.2	101.2	99
1986 Q1	94.5	102.6	102.1	*4.9*	102.1	102.0	102.0	*5.0*	102.2	102.1	98
Q2	91.8	104.2	103.4	*2.8*	103.9	103.2	103.1	*2.7*	103.4	103.3	97
Q3	90.4	104.6	103.5	*2.6*	103.5	103.5	103.4	*2.4*	103.4	103.4	97
Q4	92.8	105.5	104.8	*3.4*	103.6	105.1	104.8	*3.3*	103.8	103.9	95
1987 Q1	93.9	106.9	106.1	*3.9*	105.8	106.2	105.9	*3.8*	104.7	104.8	94
Q2	94.8	108.0	107.7	*4.2*	107.2	107.8	107.4	*4.1*	105.7	105.9	93
Q3	96.5	108.6	107.9	*4.3*	105.8	108.4	107.9	*4.4*	105.4	105.7	93
Q4	95.9	109.8	109.1	*4.1*	107.1	109.6	109.1	*4.1*	106.5	106.9	92
1988 Q1	95.7	111.0	109.6	*3.5*	108.9	109.9	109.4	*3.3*	107.4	107.8	91
Q2	98.0	112.6	112.3	*4.3*	110.1	112.7	112.1	*4.4*	109.2	109.5	89
Q3	99.9	113.9	113.8	*5.5*	109.9	114.6	113.9	*5.5*	110.0	110.3	88
Q4	99.7	115.2	116.2	*6.5*	111.3	117.2	116.4	*6.6*	113.3	111.6	86
1989 Q1	101.7	116.8	118.1	*7.7*	113.5	119.0	118.1	*7.9*	112.8	113.1	85
Q2	105.0†	118.2†	121.5	*8.2*	116.0	122.6	121.5	*8.4*	114.9	115.4	..
1987 Jul	96.6	108.4	107.6	*4.4*	105.7	108.1	107.6	*4.4*	..	..	93
Aug	96.7	108.6	107.9	*4.4*	106.0	108.4	107.9	*4.4*	..	..	93
Sep	96.3	108.9	108.3	*4.2*	105.7	108.8	108.3	*4.3*	..	..	92
Oct	96.5	109.6	108.8	*4.5*	106.4	109.3	108.9	*4.6*	..	..	92
Nov	95.6	109.8	109.3	*4.1*	106.9	109.9	109.4	*4.2*	..	..	91
Dec	95.6	110.0	109.2	*3.7*	107.8	109.5	109.1	*3.6*	..	..	92
1988 Jan	95.4	110.6	109.2	*3.3*	108.3	109.4	109.1	*3.3*	..	..	92
Feb	95.7	111.0	109.6	*3.3*	109.1	109.9	109.4	*3.3*	..	..	91
Mar	96.0	111.4	110.1	*3.5*	109.4	110.3	109.8	*3.4*	..	..	91
Apr	96.9	112.2	111.9	*3.9*	109.9	112.2	111.6	*4.0*	..	..	89
May	96.9	112.6	112.3	*4.2*	110.2	112.6	112.0	*4.3*	..	..	89
Jun	100.1	113.0	112.7	*4.6*	110.3	113.1	112.6	*4.7*	..	..	89
Jul	100.5	113.5	112.8	*4.8*	109.5	113.5	112.9	*4.9*	..	..	89
Aug	99.8	113.9	114.1	*5.7*	109.9	114.8	114.1	*5.8*	..	..	88
Sep	99.3	114.3	114.6	*5.9*	110.3	115.5	114.8	*5.9*	..	..	87
Oct	99.0	114.9	115.8	*6.4*	110.4	116.9	115.9	*6.5*	..	..	86
Nov	99.7	115.2	116.3	*6.4*	111.3	117.4	116.5	*6.5*	..	..	86
Dec	100.3	115.4	116.6	*6.8*	112.1	117.5	116.7	*7.0*	..	..	86
1989 Jan	101.1	116.4	117.4	*7.5*	113.1	118.2	117.4	*7.6*	..	..	85
Feb	101.0	116.8	118.2	*7.8*	113.4	119.1	118.1	*8.0*	..	..	85
Mar	102.9	117.2	118.7	*7.9*	114.0	119.6	118.7	*8.1*	..	..	84
Apr	104.6	117.8	120.8	*8.0*	115.4	121.9	120.8	*8.2*	..	..	83
May	105.3†	118.3†	121.6	*8.3*	116.1	122.7	121.5	*8.5*	..	..	82
Jun	105.1	118.6	122.0	*8.3*	116.5	123.1	122.1	*8.4*	..	..	82†
Jul	104.2	119.0	..	..	..	..	..	..	..	..	82

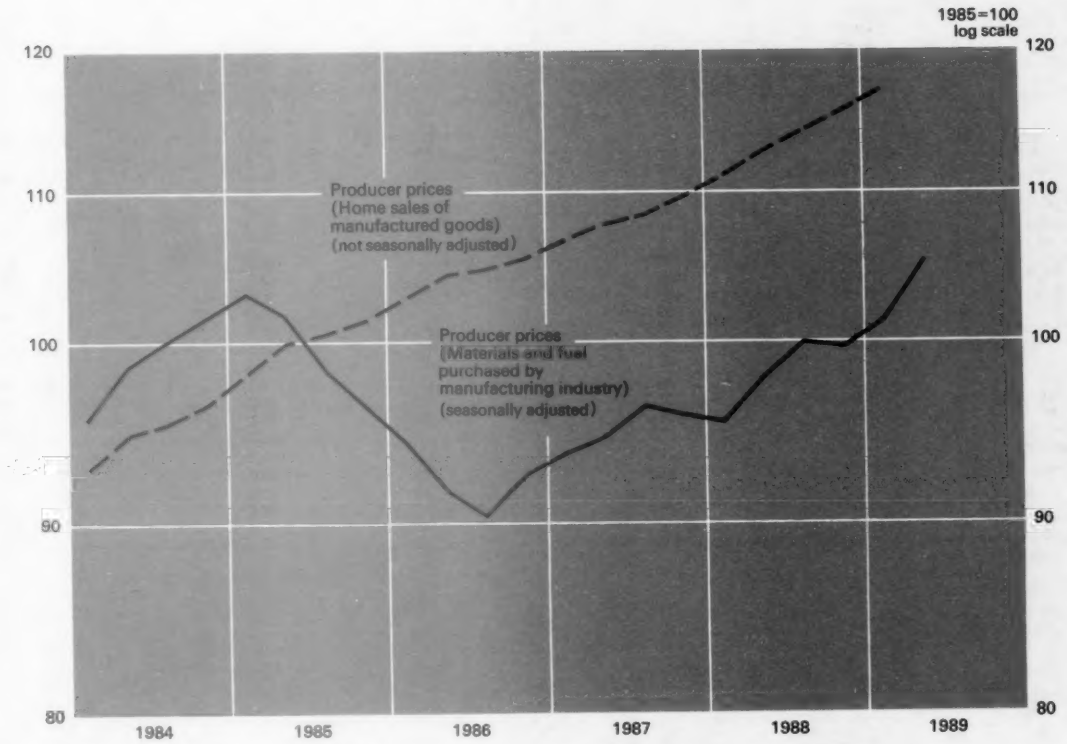
1 The index numbers given here are for comparative purposes only and should not be regarded as accurate to the last digit shown. The official Retail Prices Index series is shown in Table 1.

2 All items except housing.

3 Movements in the purchasing power of the pound are based on movements in the General index of retail prices.

Sources: Department of Trade and Industry; Department of Employment; Central Statistical Office


Prices
1985=100 not seasonally adjusted
log scale
140
130
120
110
100
90
80
General index
of retail prices
1984
1985
1986
1987
1988
1989


1985=100
log scale
120
110
100
90
80
Producer prices
(Home sales of
manufactured goods)
(not seasonally adjusted)
Producer prices
(Materials and fuel
purchased by
manufacturing industry)
(seasonally adjusted)
1984
1985
1986
1987
1988
1989

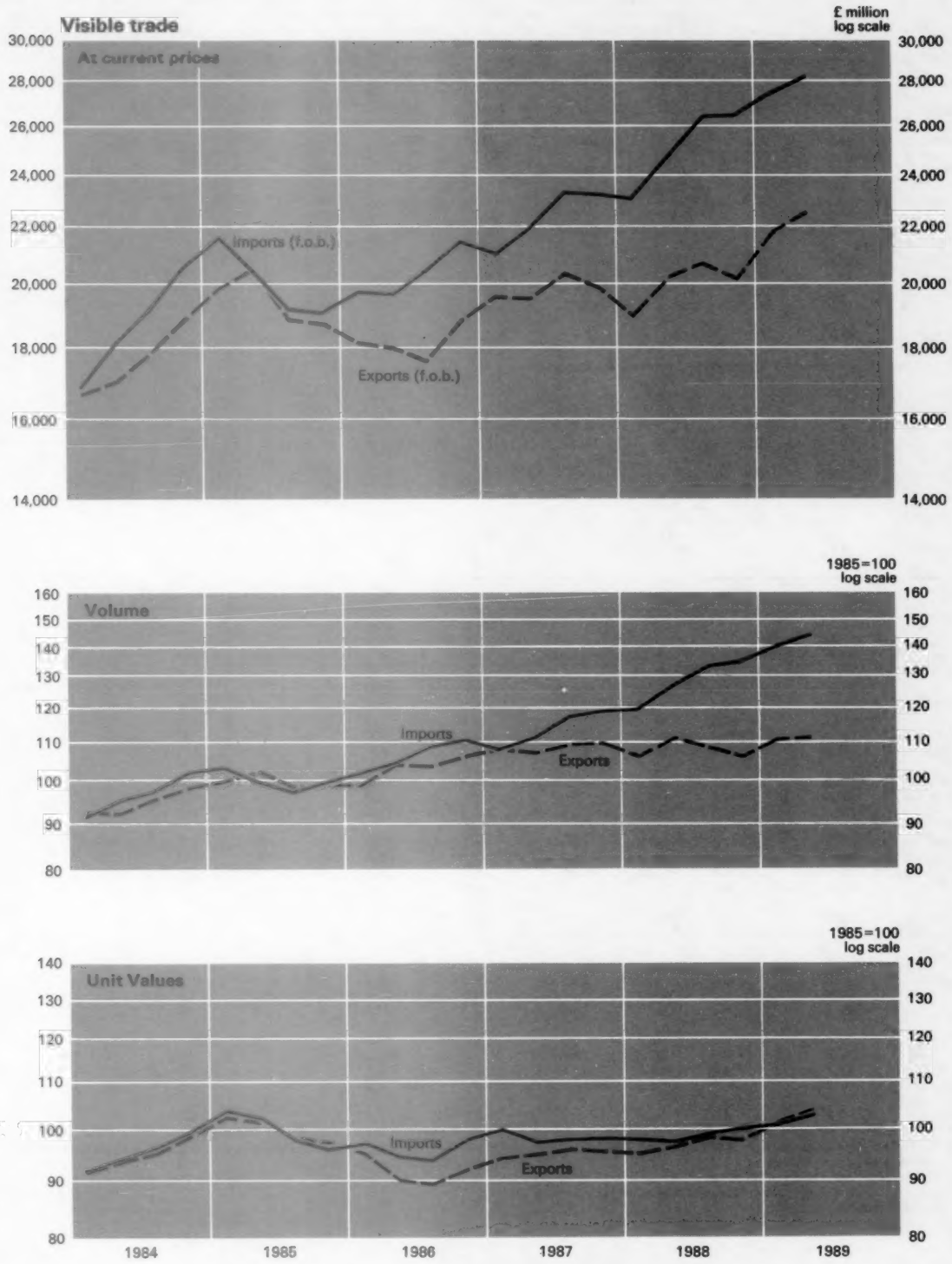
25 Visible trade (on a balance of payments basis)

1985 = 100

	Volume indices		Unit value indices (NSA)		
	Exports	Imports	Exports	Imports	Terms of trade[1]
	CGTR	CGTS	CGTO	CGTP	CGTQ
1981	83.3	75.8	76.2	73.7†	103.4†
1982	85.6	80.1	81.4	79.9	101.9
1983	87.6	87.0	88.0	87.6	100.5
1984	94.7	96.9	95.0	95.3	99.6
1985	100.0	100.0	100.0	100.0	100.0
1986	104.0†	107.1†	90.4†	95.7	94.5
1987	109.1	114.6	94.3	98.5	95.7
1988	110.7	129.5	94.5	97.8	96.8
1986 Q3	104.5†	110.0†	88.2†	94.1†	93.7†
Q4	106.1	110.6	91.3	98.4	92.8
1987 Q1	108.6	107.5	93.5	100.1	93.4
Q2	108.5	112.3	93.9	97.8	96.1
Q3	110.3	118.8	95.1	98.2	96.8
Q4	109.1	119.6	94.4	97.8	96.5
1988 Q1	107.3	120.2	93.3	96.9	96.2
Q2	114.9	128.2	93.9	96.7	97.1
Q3	112.8	134.8	95.6	98.3	97.3
Q4	107.8	134.7	95.4	98.7	96.7
1989 Q1	112.8	140.4	97.8	99.0	98.7
Q2	115.1	140.2	100.8	101.9	98.9
1986 Aug	99.5†	111.6†	87.9†	93.9†	93.6†
Sep	105.6	108.7	89.0	95.5	93.1
Oct	106.3	111.2	91.0	97.5	93.3
Nov	106.4	112.0	91.3	98.3	92.9
Dec	105.7	108.5	91.7	99.3	92.3
1987 Jan	105.2	106.3	93.0	99.9	93.1
Feb	113.0	109.9	93.7	100.3	93.5
Mar	107.5	106.2	94.0	100.2	93.8
Apr	109.2	110.3	94.0	98.3	95.6
May	107.3	114.7	93.7	97.6	96.0
Jun	108.9	111.9	94.1	97.4	96.7
Jul	111.1	116.4	94.1	98.0	96.0
Aug	109.2	122.8	95.7	98.4	97.3
Sep	110.7	117.1	95.6	98.4	97.2
Oct	108.8	118.1	95.3	98.7	96.5
Nov	109.9	120.2	94.5	98.0	96.4
Dec	108.7	120.6	93.4	96.9	96.4
1988 Jan	107.0	121.4	92.8	96.3	96.3
Feb	105.0	120.5	93.6	97.2	96.3
Mar	109.9	118.8	93.4	97.3	96.0
Apr	113.3	126.4	94.1	96.8	97.2
May	113.1	127.7	93.8	96.6	97.2
Jun	118.4	130.6	93.8	96.7	97.0
Jul	110.7	142.2	94.9	98.0	96.9
Aug	110.0	129.1	96.2	98.0	98.2
Sep	117.6	133.1	95.7	98.8	96.9
Oct	105.4	139.7	95.0	98.9	96.1
Nov	108.3	131.3	94.9	98.6	96.3
Dec	109.8	133.2	96.2	98.5	97.6
1989 Jan	117.1	145.1	97.0	98.1	98.9
Feb	105.4	138.0	97.8	99.2	98.6
Mar	115.8	138.2	98.6	99.9	98.7
Apr	111.5	140.0	100.0	101.1	98.9
May	115.2	138.4	100.4	101.5	98.9
Jun	118.7	142.1	101.9	103.0	98.9
Jul	117.1	148.2	101.9	103.7	99.1

1 Unit value index for exports expressed as a percentage of unit value index for imports.

Source: Department of Trade and Industry


Visible trade
£ million
log scale
At current prices
30,000
28,000
26,000
24,000
22,000
20,000
18,000
16,000
14,000
Imports (f.o.b.)
Exports (f.o.b.)
Volume
1985=100
log scale
160
150
140
130
120
110
100
90
80
Imports
Exports
Unit Values
1985=100
log scale
140
130
120
110
100
90
80
Imports
Exports
1984
1985
1986
1987
1988
1989

26 Measures of UK competitiveness in trade in manufactures

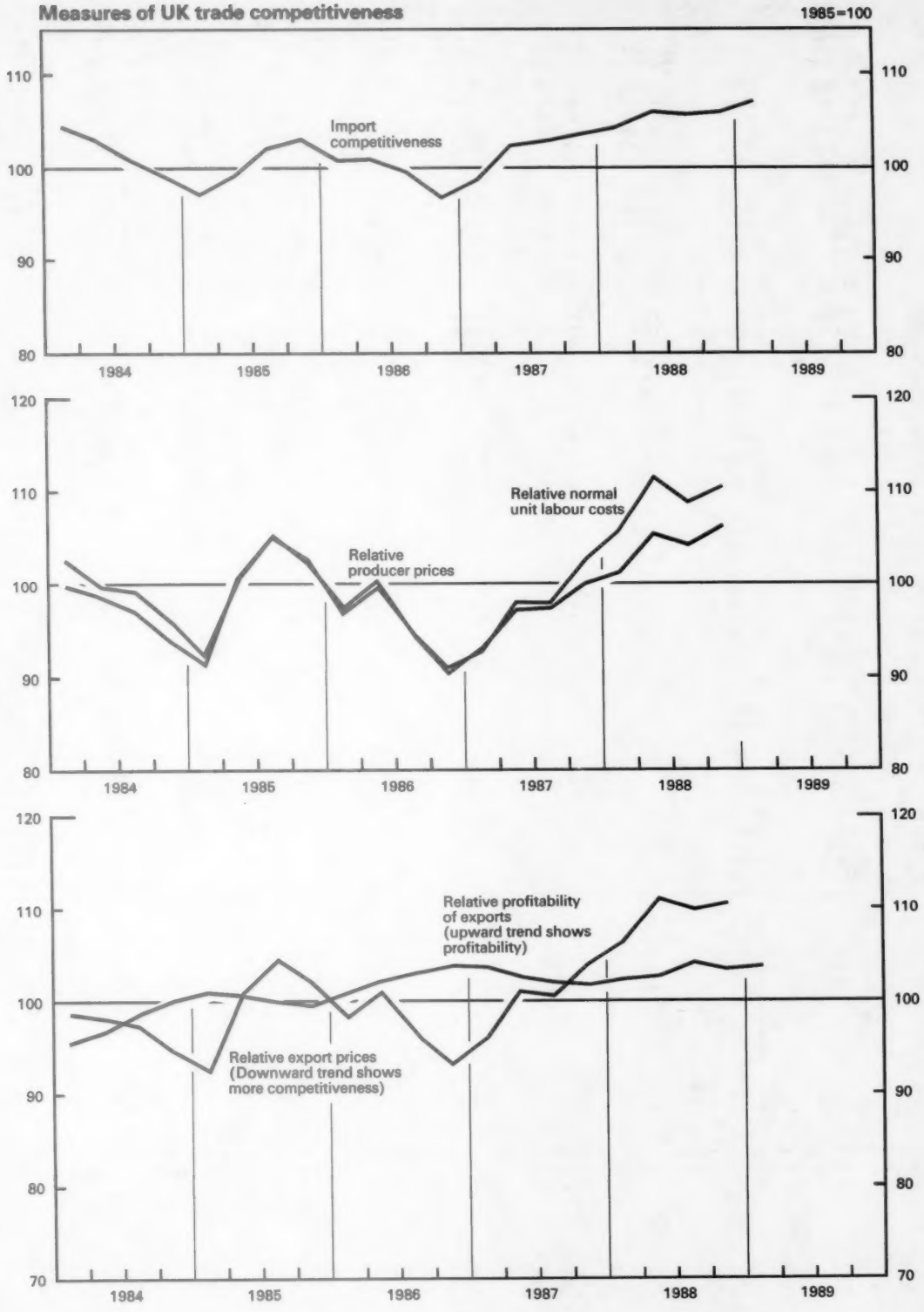
1985 = 100

	Summary measures						Export unit value index[2]				
	Relative export prices[1]	Relative producer prices[1]	IMF index of relative unit labour costs[2] Actual	IMF index of relative unit labour costs[2] Normalised	Import price competitiveness[3]	Relative profitability of exports[3]	United Kingdom	United States	Japan	France	Federal Republic of Germany
	FLAA	FLAB	FLAC	FLAD	FLAE	FLAF	FLAG	FLAH	FLAI	FLAJ	FLAK
1985	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100	100	100	100
1986	97.2	95.9	93.0	95.4	99.2	102.2	117.2†	103	121	117	133
1987	100.5	97.0	90.9	97.7	101.5	102.3	136.8	106	131	136	156
1988	109.6	104.4	99.4†	109.6†	105.0	102.9	155.9	111	145	136	159
1987 Q2	101.3	97.4	91.0	97.8	102.1	102.4	136.7†	105	131	136	154
Q3	100.6	97.6	90.5	97.8	102.5	101.8	135.3	107	132	134	153
Q4	104.2	100.2	94.7	102.5	103.2	101.6	147.7	106	137	142	163
1988 Q1	106.6	101.3	97.6†	105.6†	103.9	102.1	153.6	107	144	144	162
Q2	111.1	105.6	101.1	110.7	105.5	102.3	159.9	110	146	140	161
Q3	110.0	104.4	98.2	109.3	105.2	103.9	150.6	114	143	126	151
Q4	110.8	106.1†	100.6	113.0	105.5	103.2	159.6	115	147	135	163
1989 Q1	111.8†	107.0	103.3	115.4	106.7	103.7	158.9	113†	149†	133†	158†
Q2	..	..	..	..	106.0†	103.9†	150.0	..	..	..	..
Percentage change, quarter on corresponding quarter of previous year											
1987 Q2	-	-3.2	-7.2	-1.6	1.5	0.5	14.3†	2.9	8.3	19.3	20.3
Q3	4.0	3.1	-1.0	3.4	3.2	-1.0	13.3	2.9	6.5	12.6	11.7
Q4	13.0	10.6	11.3	13.0	6.9	-1.7	26.8	1.0	10.5	15.4	14.8
1988 Q1	11.2	8.9	11.9†	14.3†	5.7	-1.2	20.6	2.9	14.3	8.3	5.2
Q2	9.7	8.4	11.1	13.2	3.3	-0.1	17.0	4.8	11.5	2.9	4.5
Q3	9.3	7.0	8.5	11.8	2.8	2.1	11.3	6.5	8.3	-6.0	-1.3
Q4	6.3	5.9†	6.2	10.2	2.2	1.6	8.1	8.5	7.3	-4.9	-
1989 Q1	4.9†	5.6	5.8	9.3	2.7	1.6	3.5	5.6†	3.5†	-7.6†	-2.5†
Q2	..	..	..	..	0.5†	1.6†	-6.2	..	..	..	..

	Producer price index[2]					Unit labour costs index[2]				
	United Kingdom	United States	Japan	France	Federal Republic of Germany	United Kingdom[4]	United States	Japan	France	Federal Republic of Germany
	FLAL	FLAM	FLAN	FLAO	FLAP	FLAQ	FLAR	FLAS	FLAT	FLAU
1985	100.0	100.0	100.0	100.0	100.0	100	100	100	100	100
1986	118.1	97.8†	131.2	129.9	131.5	118	100	146	131	140
1987	137.1	100.4	147.5	152.6	154.7	134	99	165	151	174
1988	155.8	104.9	164.5	157.0†	160.3	150	100	178	148	179
1987 Q2	136.9	99.9	148.3	152.0	153.3	133	99	169	151	172
Q3	135.6	101.0	145.3	150.0	151.1	132	99	161	147	171
Q4	148.6	101.9	156.9	159.9	163.4	145	99	170	156	184
1988 Q1	154.0	102.8	164.6	162.3	166.3	150	99	177	154†	187
Q2	160.4	104.4	167.1	160.8	164.3	156	100	182	153	184
Q3	149.3	105.8	158.4	148.5	151.1	141	99	169	139	167
Q4	159.5	106.8†	167.8	156.2†	159.6	152	100	183	145	177
1989 Q1	158.1†	108.6	164.4†	151.9	155.5†	150	101†	186	140	170†
Percentage change, quarter on corresponding quarter of previous year										
1987 Q2	12.7	2.6	13.7	20.9	20.3	9.0	-1.0	18.2	19.8	27.4
Q3	12.6	4.0	4.2	13.1	11.0	10.0	-1.0	1.9	10.5†	17.1
Q4	27.7	4.3	17.1	16.5	17.6	27.2	-1.0	9.7	13.0	20.3
1988 Q1	21.1	4.2	18.2	9.4	10.2	19.0	-1.0	10.6	2.0	9.4
Q2	17.2	4.5	12.7	5.8	7.2	17.3	1.0	7.7	1.3	7.0
Q3	10.1	4.8	9.0	-1.0	-	6.8	-	5.0	-5.4	-2.3
Q4	7.3	4.8†	6.9	-2.3†	-2.3	4.8	1.0	7.6	-7.1	-3.8
1989 Q1	2.7†	5.6	-0.1†	-6.4	-6.5†	-	2.0†	5.1	-9.1	-9.1†

1 Figures are base weighted using 1985 export data. Downwards movements indicate greater competitiveness.
2 All the indices are in terms of US dollars.
3 Excludes erratics (ships, North Sea installations, aircraft, precious stones and silver bullion).
4 The method for calculating whole economy unit wage costs is described in *Employment Gazette*, May 1986.

Sources: Department of Trade and Industry; Department of Employment; International Monetary Fund


Measures of UK trade competitiveness
1985=100
Import competitiveness
Relative normal unit labour costs
Relative producer prices
Relative profitability of exports (upward trend shows profitability)
Relative export prices (Downward trend shows more competitiveness)
1984
1985
1986
1987
1988
1989

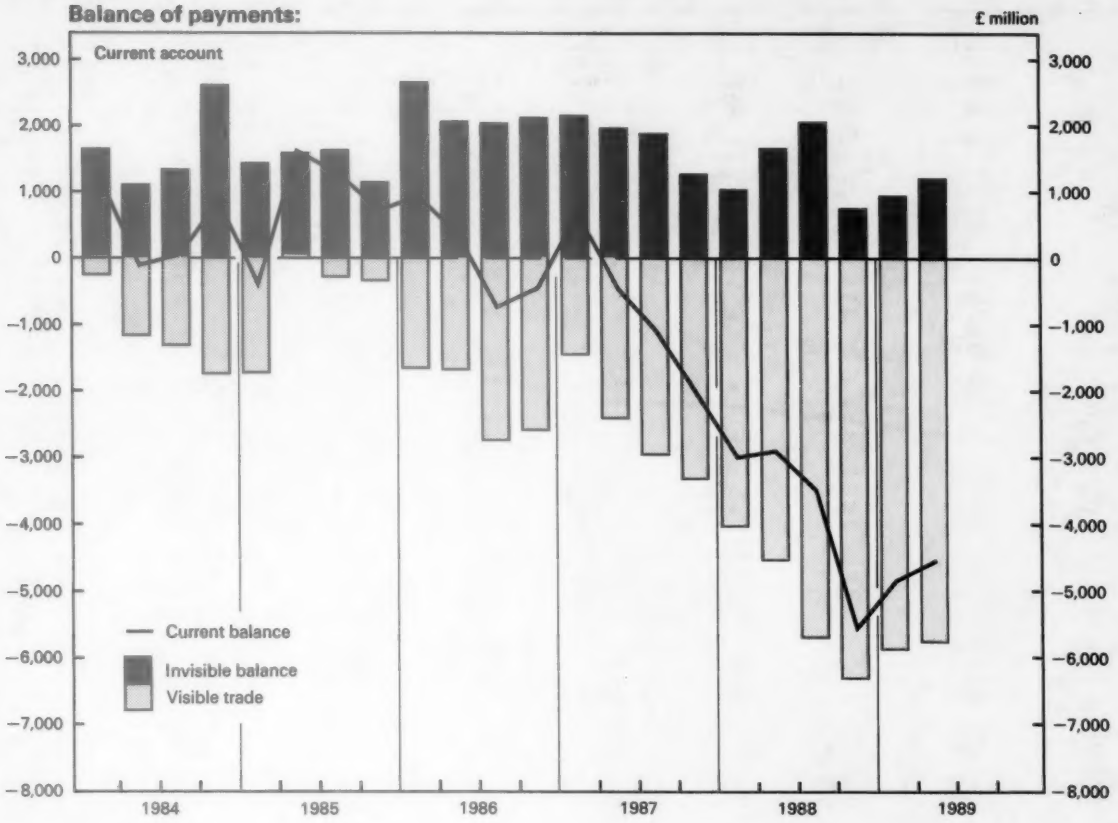
27 Balance of payments: current account

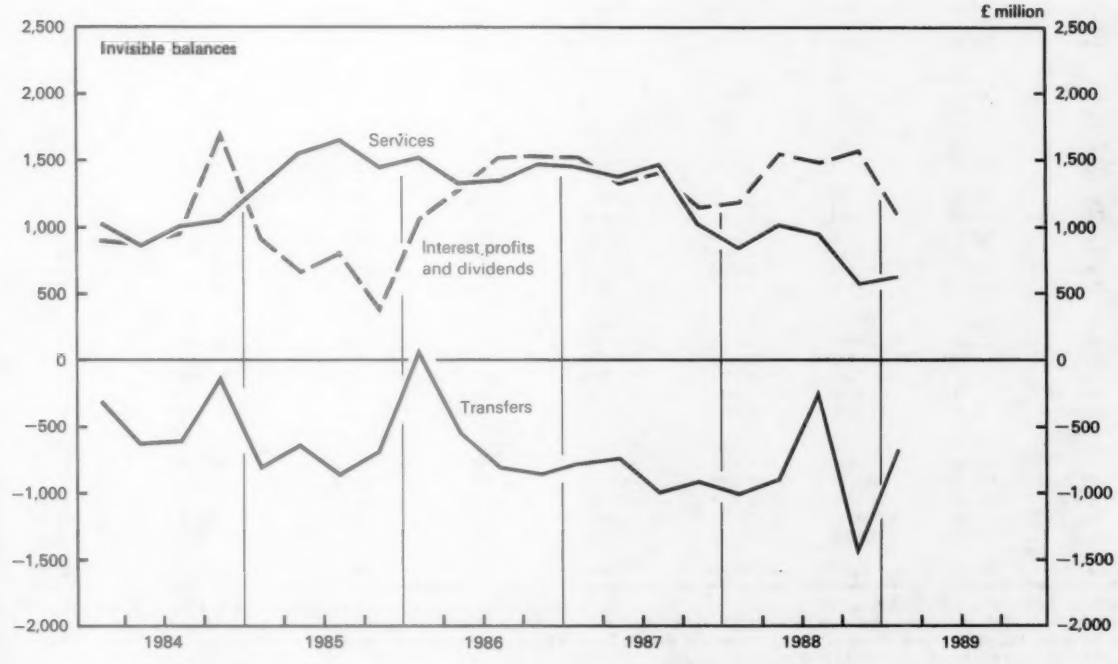
£ million

	Visible trade			Invisibles						
						Balances				
	Exports (f.o.b.)	Imports (f.o.b.)	Balance	Credits	Debits	Services	IPD	Transfers	Total[1]	Current balance
	CGKG	CGHK	AIMA	CGKR	CGHT	AIMC	AIMD	AIME	AIMB	AIMF
1978	34 981	36 574	-1 595†	24 895	22 338	3 542	806	-1 791	2 557	962†
1979	40 469	43 813†	-3 344	33 339	30 437	3 907	1 205	-2 210	2 797†	-547
1980	47 146	45 793	1 354	41 362	39 593	3 949	-196	-1 984	1 465	2 819
1981	50 667	47 419	3 249	57 347	53 761	3 923	1 210	-1 547	3 379	6 628
1982	55 329	53 421	1 906	65 483	63 016	2 762	1 446	-1 741	2 679	4 585
1983	60 697	62 207	-1 509	66 058	61 090	3 721	2 847	-1 600	5 267	3 758
1984	70 263	75 432	-5 168	77 818	71 161	3 942	4 432	-1 717	7 054	1 886
1985	77 989	81 120	-3 131	80 722	75 021	5 962	2 747	-3 008	6 335	3 204
1986	72 654	82 019	-9 364	77 457	68 606	5 631	5 356	-2 136	9 430	66
1987	79 421†	90 350	-10 929	80 463	73 195	5 333	5 387	-3 452	7 258	-3 671
1988	80 602	101 428	-20 826	86 718	81 098	3 428	5 772	-3 579	6 209	-14 617
1984 Q3	17 863	19 340†	-1 476†	19 964	18 627	1 005	965	-633	1 427†	-49†
Q4	18 810	20 732	-1 922	22 008	19 408	1 032	1 701	-133	2 707	785
1985 Q1	19 871	21 770	-1 899	21 648	20 243	1 305	907	-807	1 537	-362
Q2	20 486	20 648	-162	20 516	18 926	1 568	665	-643	1 751	1 589
Q3	18 897	19 385	-488	19 630	18 053	1 643	800	-866	1 712	1 224
Q4	18 735	19 317	-582	18 928	17 799	1 446	375	-692	1 335	753
1986 Q1	18 129	19 938	-1 808	19 236	16 606	1 513	1 053	64	2 830	1 022
Q2	18 006	19 807	-1 801	18 864	16 803	1 311	1 281	-531	2 166	365
Q3	17 637	20 607	-2 970	19 415	17 382	1 336	1 505	-808	2 185	-785
Q4	18 882	21 667	-2 785	19 942	17 815	1 471	1 517	-861	2 249	-536
1987 Q1	19 608	21 239	-1 631	19 943	17 771	1 445	1 512	-785	2 082	452
Q2	19 565	22 172	-2 607	20 243	18 286	1 385	1 326	-754	1 946	-661
Q3	20 339	23 534	-3 195	20 493	18 619	1 473	1 401	-1 000	1 786	-1 409
Q4	19 907	23 403	-3 496	19 784	18 519	1 030	1 148	-913	1 444	-2 052
1988 Q1	19 119†	23 226	-4 107	20 429	19 397	859	1 175	-1 001	1 046	-3 061
Q2	20 374	24 904	-4 530	21 232	19 577	1 017	1 545	-907	1 748	-2 782
Q3	20 886	26 611	-5 724	22 366	20 153	963	1 483	-233	2 314	-3 410
Q4	20 221	26 686	-6 465	22 691	21 971	589	1 569	-1 438	1 101	-5 364
1989 Q1	21 656	27 636	-5 980	24 990	23 963	620	1 095	-688	1 139	-4 841
Q2	22 680	28 511	-5 832	..	..	..	..	..	1 200	-4 632
1987 Jul	6 746	7 682†	-937†	..	..	..	..	..	595†	-342†
Aug	6 733	8 125	-1 392	..	..	..	..	..	596	-796
Sep	6 861	7 727	-866	..	..	..	..	..	595	-271
Oct	6 717	7 702	-985	..	..	..	..	..	481	-504
Nov	6 702	7 893	-1 191	..	..	..	..	..	482	-709
Dec	6 486	7 806	-1 320	..	..	..	..	..	481	-839
1988 Jan	6 392†	7 877	-1 486	..	..	..	..	..	349	-1 137
Feb	6 241	7 768	-1 527	..	..	..	..	..	348	-1 179
Mar	6 487	7 581	-1 094	..	..	..	..	..	349	-745
Apr	6 766	8 194	-1 427	..	..	..	..	..	583	-844
May	6 654	8 266	-1 612	..	..	..	..	..	582	-1 030
Jun	6 954	8 444	-1 490	..	..	..	..	..	583	-907
Jul	6 775	9 358	-2 583	..	..	..	..	..	771	-1 812
Aug	6 845	8 506	-1 661	..	..	..	..	..	772	-889
Sep	7 267	8 747	-1 480	..	..	..	..	..	771	-709
Oct	6 587	9 288	-2 701	..	..	..	..	..	367	-2 334
Nov	6 720	8 671	-1 950	..	..	..	..	..	367	-1 583
Dec	6 913	8 727	-1 815	..	..	..	..	..	367	-1 448
1989 Jan	7 432	9 479	-2 047	..	..	..	..	..	380	-1 667
Feb	6 813	9 028	-2 215	..	..	..	..	..	379	-1 836
Mar	7 410	9 128	-1 718	..	..	..	..	..	380	-1 338
Apr	7 183	9 358	-2 175	..	..	..	..	..	400	-1 775
May	7 623	9 363	-1 740	..	..	..	..	..	400	-1 340
Jun	7 873	9 790	-1 917	..	..	..	..	..	400	-1 517
Jul	7 728	10 190	-2 462	..	..	..	..	..	400	-2 062

1 Monthly data is one third of the appropriate calendar quarter's estimate or projection.

Source: Central Statistical Office


Balance of payments:
£ million
Current account
3,000
2,000
1,000
0
−1,000
−2,000
−3,000
−4,000
−5,000
−6,000
−7,000
−8,000
Current balance
Invisible balance
Visible trade
1984
1985
1986
1987
1988
1989


£ million
Invisible balances
2,500
2,000
1,500
1,000
500
0
−500
−1,000
−1,500
−2,000
Services
Interest, profits and dividends
Transfers
1984
1985
1986
1987
1988
1989

28 Sterling exchange rates and UK official reserves

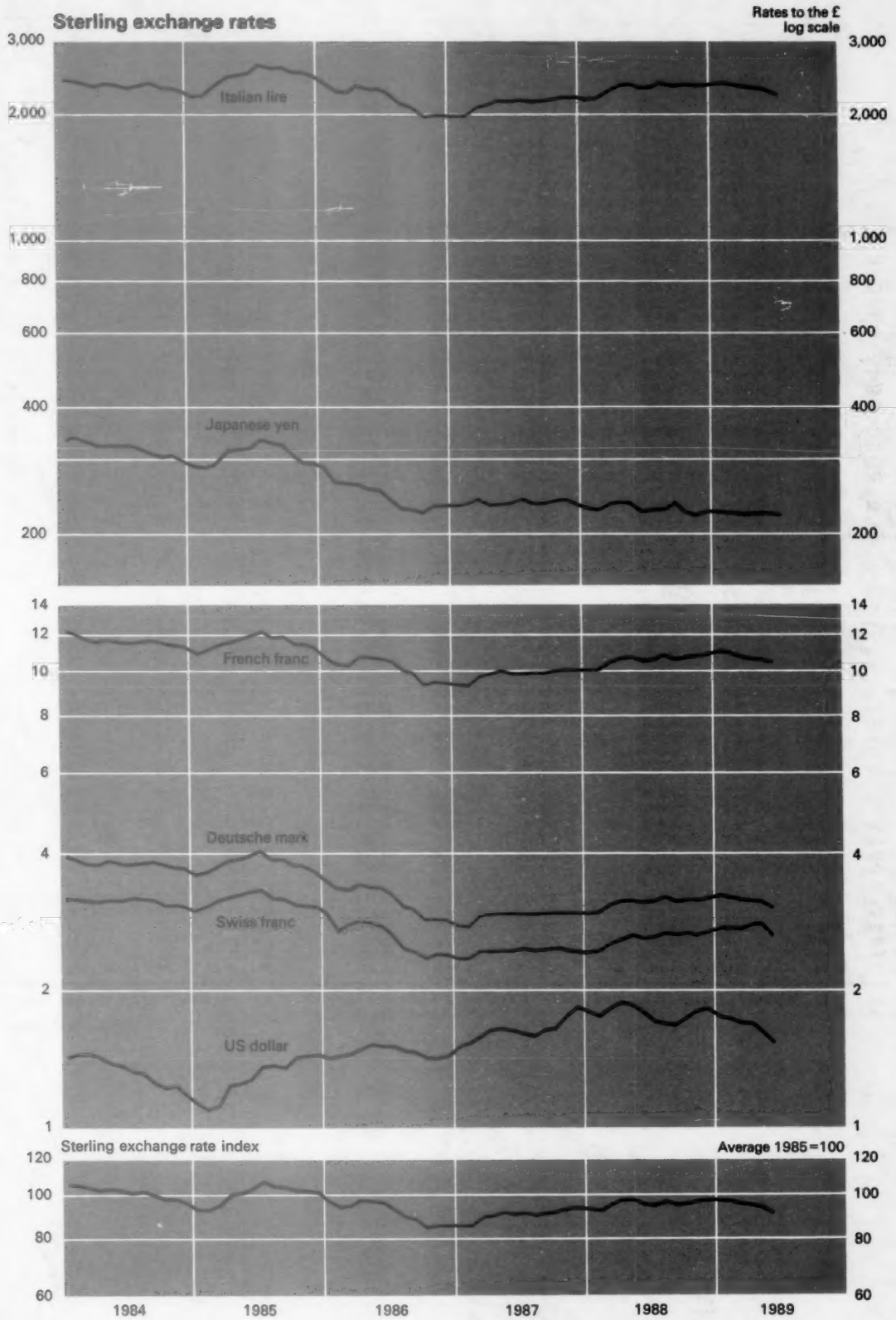
Not seasonally adjusted

	Sterling exchange rate against major currencies[1]						UK official reserves[2] at end of period ($ million)	Sterling exchange rate index (average 1985=100)
	Japanese yen	US dollar	Swiss franc	French franc	Italian lira	Deutsche-mark		
	AJFO	AJFA	AJFD	AJFE	AJFF	AJFH	AIPI	AJHV
1980	525.56	2.3281	3.8956	9.8252	1 992	4.227	27 476	117.7
1981	444.57	2.0254	3.9691	10.9353	2 288	4.556	23 347	119.0
1982	435.21	1.7489	3.5481	11.4851	2 364	4.243	16 997	113.7
1983	359.89	1.5158	3.1820	11.5469	2 302	3.870	17 817	105.3
1984	316.80	1.3364	3.1291	11.6365	2 339	3.790	15 694	100.6
1985	307.08	1.2976	3.1550	11.5495	2 463	3.784	15 543	100.0
1986	246.80	1.4672	2.6350	10.1569	2 186	3.183	21 923	91.5
1987	236.50	1.6392	2.4394	9.8369	2 123	2.941	44 326	90.1
1988	227.98	1.7796	2.6030	10.5969	2 315	3.124	51 685	95.5
1984 Q4	299.42	1.2178	3.0609	11.3929	2 300	3.716	15 694	96.6
1985 Q1	287.14	1.1155	3.0684	11.0924	2 253	3.628	13 528	92.9
Q2	315.17	1.2577	3.2554	11.8272	2 474	3.878	14 318	101.0
Q3	328.10	1.3758	3.2339	11.9532	2 603	3.920	14 176	104.6
Q4	297.64	1.4356	3.0644	11.3248	2 514	3.711	15 543	101.4
1986 Q1	270.79	1.4391	2.8488	10.3829	2 303	3.382	18 750	95.0
Q2	256.40	1.5090	2.8132	10.7712	2 322	3.387	19 188	96.1
Q3	232.27	1.4891	2.5146	10.1009	2 140	3.109	22 426	90.2
Q4	229.22	1.4304	2.3783	9.3934	1 986	2.868	21 923	85.1
1987 Q1	236.20	1.5431	2.3848	9.4501	2 015	2.837	27 039	86.7
Q2	234.14	1.6410	2.4484	9.8906	2 134	2.964	34 364	90.4
Q3	237.82	1.6184	2.4670	9.9197	2 152	2.974	34 808	90.5
Q4	237.69	1.7535	2.4565	10.0821	2 188	2.989	44 326	92.7
1988 Q1	230.03	1.7972	2.4733	10.1923	2 221	3.013	47 519	93.5
Q2	231.18	1.8390	2.6114	10.6374	2 334	3.142	48 519	96.6
Q3	226.76	1.6951	2.6525	10.7159	2 349	3.165	50 482	95.2
Q4	224.05	1.7915	2.6755	10.8460	2 356	3.175	51 685	96.7
1989 Q1	224.37	1.7477	2.7624	10.9948	2 370	3.233	46 931	97.1
Q2	224.29	1.6259	2.7548	10.6306	2 287	3.140	43 665	93.6
1986 Nov	232.01	1.4253	2.4004	9.4327	1 996	2.884	22 006	85.5
Dec	233.22	1.4383	2.3950	9.3896	1 984	2.860	21 923	85.3
1987 Jan	232.94	1.5071	2.3482	9.3283	1 982	2.797	21 952	85.4
Feb	234.25	1.5271	2.3513	9.2774	1 981	2.785	22 257	85.4
Mar	241.07	1.5919	2.4502	9.7233	2 078	2.921	27 039	89.2
Apr	232.87	1.6299	2.4375	9.8295	2 106	2.952	29 807	89.9
May	234.13	1.6661	2.4507	9.9559	2 152	2.980	34 679	91.1
Jun	235.31	1.6293	2.4563	9.8904	2 143	2.962	34 364	90.3
Jul	241.83	1.6099	2.4719	9.9002	2 153	2.974	34 915	90.5
Aug	235.70	1.5975	2.4575	9.9034	2 149	2.967	34 365	90.0
Sep	235.56	1.6462	2.4703	9.9548	2 155	2.981	34 808	90.9
Oct	238.05	1.6621	2.4825	9.9964	2 164	2.992	41 399	91.4
Nov	240.34	1.7754	2.4531	10.1314	2 200	2.986	41 281	93.2
Dec	234.67	1.8273	2.4325	10.1226	2 201	2.987	44 326	93.6
1988 Jan	229.90	1.7981	2.4241	10.0481	2 189	2.977	43 093	92.8
Feb	226.97	1.7578	2.4462	10.0760	2 196	2.983	42 927	92.2
Mar	232.94	1.8324	2.5407	10.4256	2 272	3.072	47 519	95.3
Apr	234.43	1.8765	2.5967	10.6503	2 329	3.138	47 857	97.2
May	233.21	1.8694	2.6378	10.7196	2 353	3.166	48 533	97.6
Jun	226.52	1.7790	2.6001	10.5517	2 320	3.124	48 519	95.3
Jul	226.87	1.7042	2.6126	10.5953	2 328	3.144	49 826	94.7
Aug	227.09	1.6983	2.6895	10.8558	2 373	3.207	50 639	96.1
Sep	226.31	1.6833	2.6536	10.6910	2 344	3.142	50 482	94.8
Oct	223.87	1.7382	2.6744	10.7879	2 354	3.160	50 048	95.7
Nov	222.71	1.8090	2.6532	10.8030	2 350	3.162	51 040	96.6
Dec	225.71	1.8282	2.7013	10.9541	2 365	3.207	51 685	97.7
1989 Jan	225.78	1.7748	2.7695	11.0940	2 386	3.256	51 705	97.9
Feb	223.89	1.7541	2.7614	11.0494	2 376	3.245	51 683	97.3
Mar	223.43	1.7146	2.7562	10.8435	2 350	3.199	46 931	95.9
Apr	224.67	1.7022	2.8014	10.7562	2 333	3.181	47 256	95.4
May	224.69	1.6295	2.8181	10.7274	2 307	3.172	46 087	94.3
Jun	223.57	1.5532	2.6519	10.4239	2 227	3.072	43 665	91.1
Jul	228.26†	1.6244†	2.6471†	10.4244†	2 223†	3.074†	43 631†	92.3†

1 Average of daily Telegraphic Transfer rates in London.

2 Apart from transactions, the level of official reserves is affected by changes in the dollar valuation of gold, Special Drawing Rights and convertible currencies. Since end-March 1979 these rates have been revised annually. These valuation changes are described in detail in the description of Table 10.3 in the *Financial Statistics Explanatory Handbook*, where the values of the annual changes are also shown.

Sources: Bank of England; HM Treasury


Sterling exchange rates
Rates to the £ log scale
3,000
2,000
1,000
800
600
400
200
Italian lire
Japanese yen
14
12
10
8
6
4
2
1
French franc
Deutsche mark
Swiss franc
US dollar
Sterling exchange rate index
Average 1985=100
120
100
80
60
1984
1985
1986
1987
1988
1989

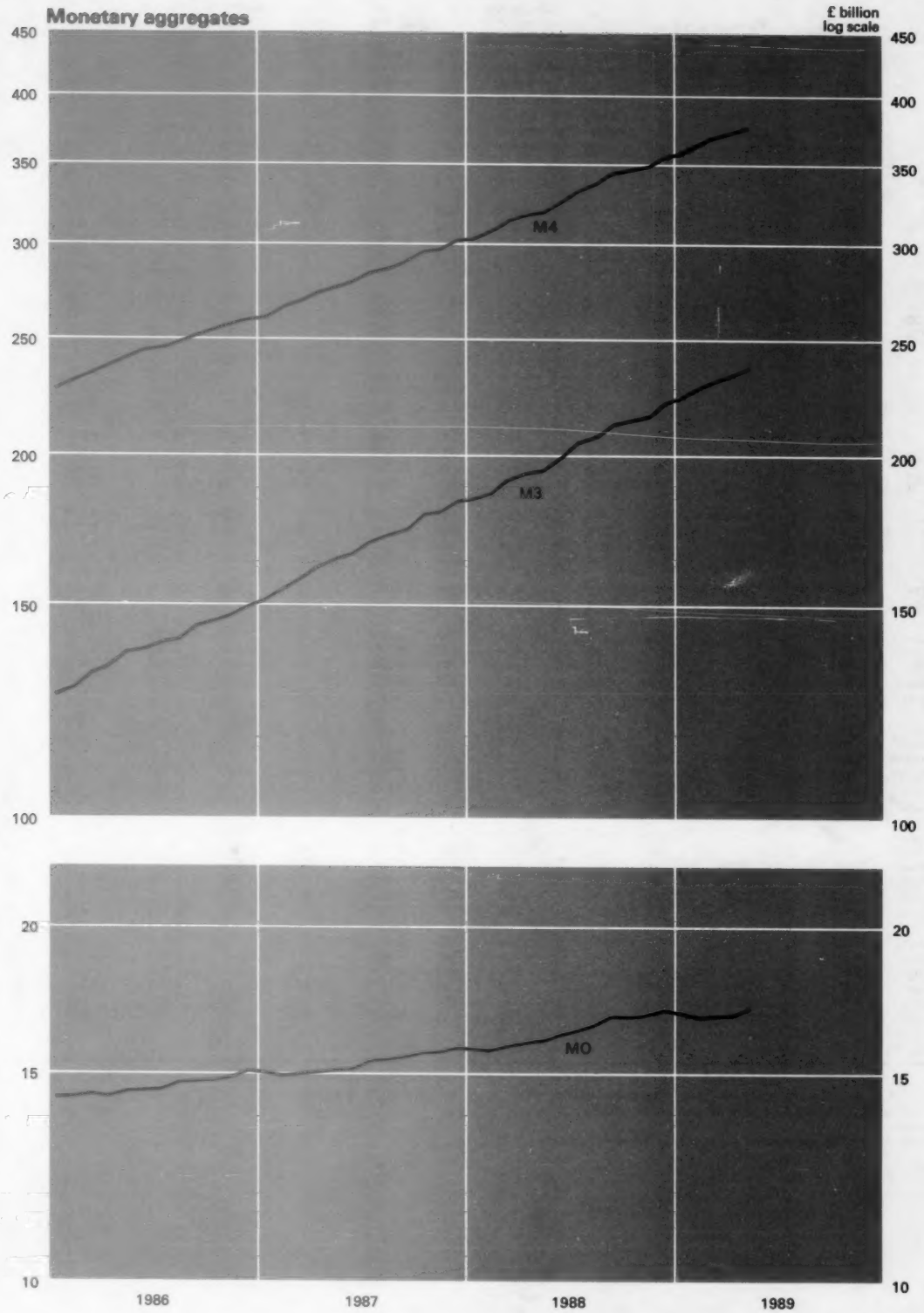
29 Monetary aggregates[1]

	M0				M3				M4			
	Amount outstanding[2] (NSA)				Amount outstanding (NSA)				Amount outstanding (NSA)			
	£ million	Annual percentage change	Amount outstanding (£ million)	Velocity of circulation: ratio	£ million	Annual percentage change	Amount outstanding (£ million)	Velocity of circulation: ratio	£ million	Annual percentage change	Amount outstanding (£ million)	Velocity of circulation: ratio
	AVAD	AVAK	AVAE	AVAM	AGAJ	AUZO	AGBC	AGBY	AUYM	AUZP	AUYN	AUYU
1985	14 095	*4.6*	14 095	25.19	126 976†	*13.4*	124 920†	3.03	225 293†	*13.0*†	225 207†	1.67†
1986	14 665	*4.0*	14 663	25.87	151 147	*18.2*	150 604	2.74	261 190	*15.4*	261 377	1.55
1987	15 338	*4.6*	15 354	27.06	185 623	*22.9*	184 697	2.48	303 941	*16.3*	304 321	1.47
1988	16 402	*6.9*	16 399	28.04	223 674	*20.4*	222 941	2.27	357 488	*17.6*	358 001	1.39
1985 Q2	14 040	*5.4*	14 070	25.04	118 018†	*11.4*	116 507†	3.06	212 215†	*12.8*†	211 303†	1.69†
Q3	14 212	*4.4*	14 162	25.36	122 956	*13.7*	120 972	3.02	218 443	*13.4*	218 247	1.67
Q4	14 425	*3.9*	14 260	25.61	126 976	*13.4*	124 920	2.96	225 293	*13.0*	225 207	1.64
1986 Q1	14 255	*4.0*	14 404	25.72	133 378	*16.7*	132 797	2.89	235 823	*14.5*	235 997	1.61
Q2	14 464	*3.0*	14 521	25.89	140 326	*18.7*	139 462	2.75	245 852	*15.7*	245 364	1.56
Q3	14 782	*4.0*	14 729	25.76	146 486	*19.1*	145 188	2.67	252 988	*15.8*	252 595	1.52
Q4	15 159	*5.1*	14 999	26.12	151 147	*18.2*	150 604	2.65	261 190	*15.4*	261 377	1.52
1987 Q1	14 808	*3.9*	15 044	26.44	159 606	*19.2*	159 342	2.58	270 262	*14.1*	271 022	1.50
Q2	15 131	*4.6*	15 169	26.92	168 031	*19.3*	166 960	2.49	281 250	*13.9*	280 628	1.48
Q3	15 519	*5.0*	15 469	27.42	176 014	*19.6*	174 526	2.46	292 059	*14.9*	291 742	1.47
Q4	15 894	*4.9*	15 736	27.44	185 623	*22.9*	184 697	2.39	303 941	*16.3*	304 321	1.44
1988 Q1	15 622	*5.5*	15 833	27.92	193 035	*20.9*	192 371	2.36	315 606	*16.8*	315 724	1.43
Q2	16 107	*6.4*	16 164	28.13	202 081	*20.2*	201 074	2.31	328 515	*16.8*	327 415	1.41
Q3	16 708	*7.6*	16 652	28.02	215 564	*22.5*	214 141	2.23	346 509	*18.6*	346 104	1.38
Q4	17 169	*8.0*	16 946	28.08	223 674	*20.4*	222 941	2.19	357 488	*17.6*	358 001	1.35
1989 Q1	16 732	*7.1*	16 894	28.68	233 708	*21.1*	233 356	2.13	372 544	*18.1*	373 837	1.33
Q2	17 001†	*5.7*†	17 102†	..	246 312	*21.9*†	245 484	..	389 394	*18.6*	389 884	..
Calendar month												
1987 Jun	15 083	*4.2*	15 210	..	168 031	*19.3*	166 960	..	281 250	*13.9*†	280 628	..
Jul	15 506	*5.3*	15 403	..	172 294	*20.9*	170 808	..	286 574	*14.9*	285 170	..
Aug	15 519	*4.5*	15 445	..	174 436	*22.2*	173 047	..	289 176	*15.6*	288 841	..
Sep	15 533	*5.2*	15 559	..	176 014	*19.6*	174 526	..	292 059	*14.9*	291 742	..
Oct	15 501	*5.5*	15 665	..	181 799	*22.5*	179 931	..	297 513	*15.8*	297 441	..
Nov	15 548	*4.9*	15 704	..	182 969	*21.5*	180 446	..	298 981	*15.2*	298 522	..
Dec	16 633	*4.2*	15 839	..	185 623	*22.9*	184 697	..	303 941	*16.3*	304 321	..
1988 Jan	15 639	*4.8*	15 797	..	183 709	*22.4*	185 932	..	304 440	*16.5*	305 115	..
Feb	15 477	*5.3*	15 784	..	184 384	*20.5*	187 766	..	305 830	*16.0*	309 829	..
Mar	15 751	*6.4*	15 919	..	193 035	*20.9*	192 371	..	315 606	*16.8*	315 724	..
Apr	16 025	*5.9*	16 031	..	194 477†	*19.4*	195 264†	..	317 515†	*15.9*	319 199†	..
May	16 048	*5.7*	16 147	..	197 049	*18.6*	196 161	..	321 703	*16.0*	321 174	..
Jun	16 247	*7.7*	16 315	..	202 081	*20.2*	201 074	..	328 515	*16.8*	327 415	..
Jul	16 599	*7.0*	16 462	..	207 875	*20.6*	206 869	..	336 577	*17.4*	334 736	..
Aug	16 733	*7.8*	16 619	..	209 406	*20.0*	208 758	..	339 139	*17.3*	338 711	..
Sep	16 793	*8.1*	16 875	..	215 564	*22.5*	214 141	..	346 509	*18.6*	346 104	..
Oct	16 692	*7.7*	16 864	..	217 514	*19.7*	215 665	..	349 069	*17.3*	349 046	..
Nov	16 774	*7.9*	16 907	..	220 228	*20.4*	217 678	..	351 976	*17.7*	350 830	..
Dec	18 040	*8.5*	17 066	..	223 674	*20.4*	222 941	..	357 488	*17.6*	358 001	..
1989 Jan	16 876	*7.9*	16 936	..	223 477	*21.6*	225 738	..	359 620	*18.1*	360 440	..
Feb	16 504	*6.6*	16 833	..	226 002	*22.6*	229 526	..	362 578	*18.6*	367 175	..
Mar	16 815	*6.8*	16 913	..	233 708	*21.1*	233 356	..	372 544	*18.1*	373 837	..
Apr	16 825	*5.0*	16 937	..	234 930	*20.8*	235 738	..	374 440	*17.9*	377 192	..
May	17 088	*6.5*	17 148	..	239 681	*21.7*†	238 798	..	379 948	*18.1*	380 655	..
Jun	17 089†	*5.5*†	17 220†	..	246 312	*21.9*	245 484	..	389 394	*18.6*	389 884	..

1 A fuller range of monetary aggregates is published monthly in *Financial Statistics*.

2 The monthly figures for M0 give the average of the amounts outstanding each Wednesday during the calendar month.

Source: Bank of England


Monetary aggregates
£ billion
log scale
450
400
350
300
250
200
150
100
M4
M3
20
15
10
MO
1986
1987
1988
1989

30 Counterparts to changes in money stock M4[1]

£ million, not seasonally adjusted

	Public Sector Borrowing Requirement	Purchases by the M4[2] private sector of: Central government debt: British government stocks	Central government debt: Other	Other public sector debt	External and foreign currency financing of public sector: Purchase of British government stocks by overseas sector	External and foreign currency financing of public sector: Other	Banks' and Building Societies' sterling lending to the M4 private sector	External and foreign currency transactions of UK banks and building societies	Net non-deposit sterling liabilities of the banks and building societies	Domestic counterparts	External and foreign currency counterparts	M4
	1	*2*	*3*	*4*	*5*	*6*	*7*	*8*	*9*	*10*	*11*	*12*
	ABEN	AVBY	AVBU	AVBV	-AARC	AQGA	AVBS	AVBW	AVBX	AVBN	AVBP	AUZI
1985	7 474	-6 272	-2 837†	996	-2 920	-222	34 028	519	-4 893†	33 389	-2 623	25 873†
1986	2 418	-4 794†	-2 106	1 012	-2 115	151	47 086	-951	-5 928	43 615†	-2 973	34 714
1987	-1 464	-2 147	-2 725	901	-3 862	11 521	53 299†	-4 985†	-7 414	47 901	1 974†	42 461
1988	-11 600†	4 031	-1 063	794	-277	4 180†	81 958	-11 771	-12 260	74 090	-8 477	53 353
1985 Q2	2 716	-1 224	-809†	306	-1 277	471	7 907	245	-1 793†	8 896	-561	6 542†
Q3	2 836	-1 225	-591	389	-377	-44	7 307	-42	-2 039	8 716	-463	6 214
Q4	1 987	-495	-627	537	-550	-374	8 529	-1 736	-417	9 931†	-2 660	6 854
1986 Q1	-1 860	-558	-24	153	-72	385	11 124	810	323	8 815	1 123	10 261
Q2	2 472	-1 054	-815	1 065	-768	373	10 409	1 135	-2 786	12 077	741	10 032
Q3	3 531	-1 523	-881	-183	-552	-455	10 616	-1 038	-2 202	11 560	-2 033	7 325
Q4	-1 705	-1 659†	-386	-23	-723	-152	14 937	-1 858	-1 263	11 163	-2 804	7 096
1987 Q1	-904	685	-709	283	-533	1 347	10 786	209†	-2 273	10 130	833†	8 690
Q2	1 435	-1 438	-1 008	112	-1 003	4 023	12 934	-881	-2 802	12 035	1 870	11 103
Q3	398	1 434	-552	432	-2 243	260	14 745	-2 360	-1 149	16 449	-4 433	10 867
Q4	-2 393	-2 808	-456	74	-83	5 891	14 854†	-1 953	-1 190	9 287	3 704	11 801
1988 Q1	-2 925	-656	-451	-41	-193	1 645	18 249	-2 771	-978	14 149	-1 617	11 554
Q2	-1 565	817	-200	229	-452	659	21 718	-4 778	-3 401	20 999	-4 639	12 959
Q3	-2 110†	1 441	-461	239	289	1 091	22 415	275	-4 747	21 526	1 373	18 152
Q4	-5 000	2 429	49	367	79	785†	19 576	-4 497	-3 134	17 416	-3 594	10 688
1989 Q1	-5 763	4 705	270	-92†	118	-200	21 751	-4 123	-1 573	20 931	-4 150	15 208
Q2	-31	3 662	-513	99	..	-2 106	20 174	-553	-5 261	23 626	-1 454	16 911
1987 Aug	622	380	-159	373	-495	-322	2 279	727	-801	3 493	-90	2 602
Sep	228	184	-259	-89	-604	183	6 748	-1 411	-2 030	6 812	-1 832	2 950
Oct	-984	-747	-25	-86	-841	3 771	4 030	512	-182	2 194	3 442	5 454
Nov	-1 585	-1 695	-226	355	743	-183	4 655†	82	-684†	1 510†	642	1 468
Dec	176	-366	-205	-195	-136	2 303	6 169	-2 547	-324	5 583	-380	4 879
1988 Jan	-6 297	-307†	11	-446	-279†	343	6 303	-1 728	2 792	-745	-1 664†	383
Feb	-466	-833	-54	305	-337	-50	4 065	-521	-716	3 018	-908	1 394
Mar	3 838	484	-408†	100	125	1 352	7 881	-522	-3 054	11 876	955	9 777
Apr	-1 143	-700	-91	300	-270	311	6 392	-1 543†	-1 347	4 758	-1 502	1 909†
May	-526	621	68	-235	155	257	5 478	-477	-1 156	5 406	-65	4 185
Jun	104	896	-177	164	-405	91	9 848	-2 758	-898	10 835	-3 072	6 865
Jul	-1 602†	1 159	-274	189	-230	602	9 075	743	-1 601	8 548	1 115	8 062
Aug	-1 583	511	-71	130	-192	484	4 476	369	-1 563	3 464	661	2 562
Sep	1 075	-229	-116	-80	429	5	8 864	-837	-1 583	9 514	-403	7 528
Oct	-2 161	1 824	-31	59	-154	452	8 406	-2 471	-1 362	6 095	-2 173	2 560
Nov	-362	682	-146	-100	68	430†	5 323	-1 673	-1 312	5 395	-1 175	2 908
Dec	-2 477	-77	226	408	204	-97	7 847	-353	-460	5 926	-246	5 220
1989 Jan	-8 941	725	-6	-183	-348	763	7 441	-1 028	1 688	1 056	-613	2 131
Feb	-1 044	2 978	156	156	-49	-444	4 483	-2 517	-630	6 749	-3 010	3 109
Mar	2 222	1 002	120	-65†	570	-519	9 827	-578	-2 631	13 126	-527	9 968
Apr	-857	798	-108	-162	822	33	4 947	-2 432	-1 211	4 683	-1 577	1 895
May	129	1 193	-63	161	36	-594	6 051	329	-1 923	7 659	-229	5 507
Jun	697	1 671	-342	100	347	-1 545	9 176	1 550	-2 127	11 284	352	9 509
Jul	-1 369	..	..	..	..	..	..	..	..	..	..	..

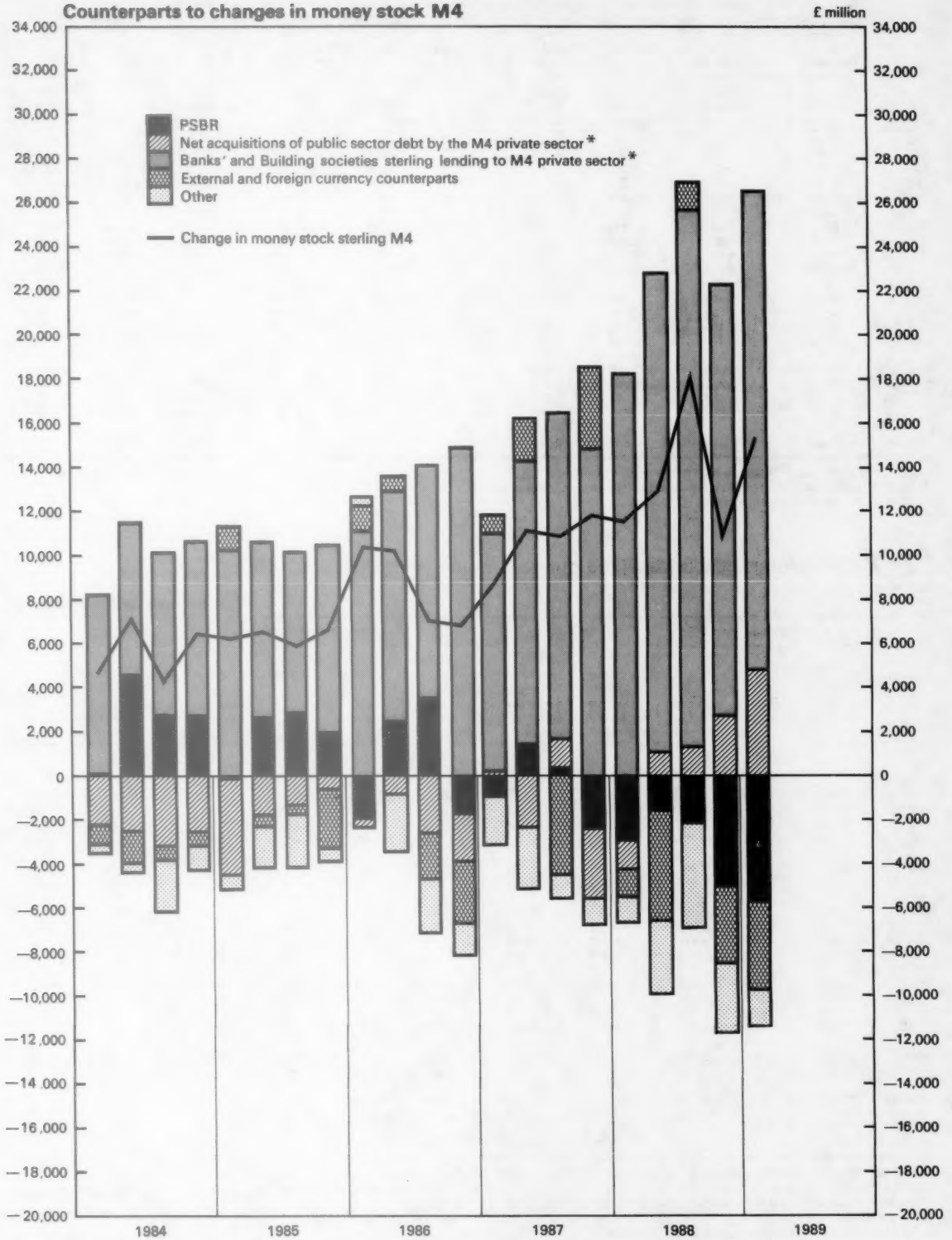
For most periods the relationships between the columns are as follows: 10 = 1+2+3+4+7; 11 = 5+6+8; 12 = 9+10+11. Due to the inclusion of the latest PSBR information, the figures for more recent periods may not add exactly.

1 A wider range of figures is published monthly in *Financial Statistics*.

2 The M4 private sector comprises all UK residents other than the public sector, banks and building societies.

Source: Bank of England

Counterparts to changes in money stock M4



* Private sector other than banks and building societies.

31 General government receipts and expenditure

£ million, not seasonally adjusted

	General government									
	Receipts[1]		Expenditure							
			Goods and services		Current and capital transfers					
	Taxes and social security contributions	Trading income, rent, royalties, interest, etc.	Final consumption	Gross domestic capital formation	Current grants and subsidies	Capital transfers	Debt interest	Net lending etc[2]	Total	Public expenditure planning total
	ABKA	ABKB	AAXI	ABKC	ABKD	AAYG	AAXL	ABAA	ABAB	ABAZ
1986	143 819	13 001	79 612	6 774	59 164	3 120	17 128	-3 998	161 800	137 333
1987	155 235	13 351	85 552	6 418	61 965	3 062	17 757	-6 383	168 371	142 651
1988	172 247	13 597	91 674	5 328	63 617	3 633	17 998	-5 117	177 133†	149 986
1986 Q1	37 922	3 440	20 411	2 674	14 328	949	4 821	-598	42 585	36 188
Q2	32 984	3 200	19 377	1 251	14 694	659	3 728	-1 216	38 493	32 444
Q3	34 807	3 141	19 607	1 452	14 960	779	4 711	56	41 585	34 862
Q4	38 106	3 220	20 217	1 397	15 162	733	3 868	-2 240	39 137	33 839
1987 Q1	40 163	3 492	21 538	2 468	15 511	978	5 200	-523	45 172	37 961
Q2	34 785	3 192	20 663	987	15 545	605	3 589	-3 099	38 290	32 701
Q3	39 189	3 190	21 385	1 448	15 435	745	4 980	-1 574	42 419	35 361
Q4	41 096	3 477	21 966	1 515	15 474	734	3 988	-1 187	42 490	36 628
1988 Q1	45 701	3 621	22 902	2 545	16 399	957	5 121	651	48 575	40 761
Q2	38 524	3 219	22 295	924	15 821	613	3 678	-2 851	40 480	34 464
Q3	42 217	3 372	22 796	874	15 011	1 237	4 927	-1 611	43 234	35 781
Q4	45 805	3 385	23 681	985	16 386	826	4 272	-1 306	44 844†	38 980
1989 Q1	49 089	3 913	24 816	2 787	15 819	1 120	5 235	306	50 083	40 804

1 Excluding financial transactions.
2 Net lending to public corporations, private sector and overseas; cash expenditure on company securities, etc.(net).

Source: Central Statistical Office

32 Financial transactions of the public sector[1]

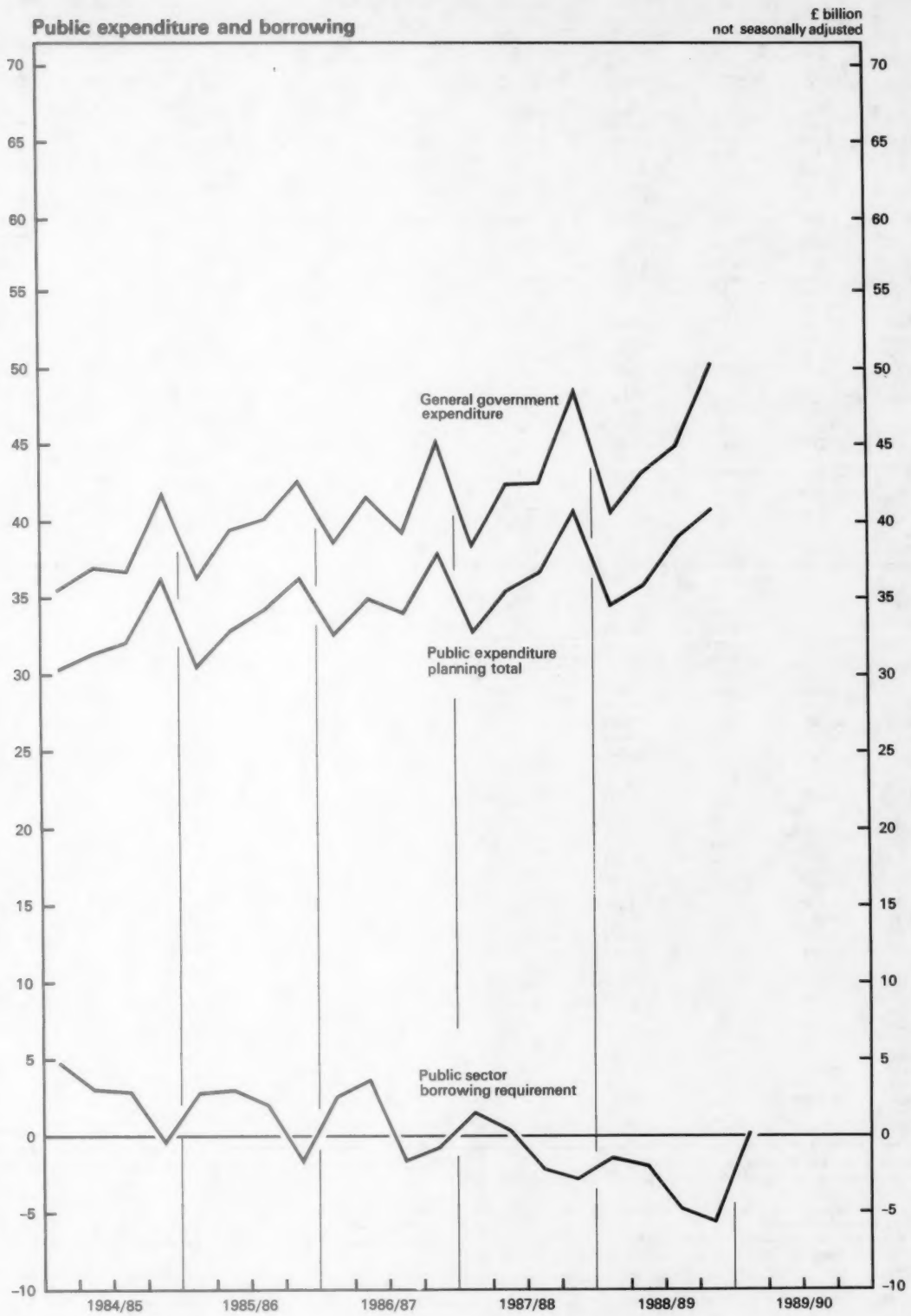
£ million, not seasonally adjusted

	Financial deficit[2]				Receipts						
					Borrowing requirement[5]						
	General government[3]	Public corporations	Total	Net lending etc, to private sector and overseas[4]	Central government (own account[6])	Local authorities	Public corporations	Total	Seasonally adjusted total[7]	Other financial transactions (net receipts)	Total
	1	*2*	*3*	*4*	*5*	*6*	*7*	*8*	*9*	*10*	*11*
	-AABC	-AABD	-AABE	ABKG	ABEB	ABEG	ABEM	ABEN	ABFB	ABKI	ABKH
1986	8 978	-1 278	7 691	-4 009	2 475	655	-712	2 418	2 418	1 263	3 682
1987	6 168	-1 232	4 934	-6 005	-969	819	-1 314	-1 464	-1 464	392	-1 071
1988	-3 594	-1 608	-4 995	-5 942	-10 189	492	-1 903†	-11 600†	-11 600†	666	-10 937
1986 Q3	3 581	378	3 959	-41	3 621	131	-221	3 531	2 081	387	3 918
Q4	51	-860	-818	-2 242	-1 052	-668	15	-1 705	-1 018	-1 358	-3 060
1987 Q1	2 040	13	2 052	-591	-1 130	791	-565	-904	355	2 365	1 461
Q2	3 412	-459	2 952	-2 422	1 761	139	-465	1 435	-392	-905	530
Q3	1 614	30	1 644	-1 680	358	255	-215	398	-96	-434	-36
Q4	-898	-816	-1 714	-1 312	-1 958	-366	-69	-2 393	-1 331	-634	-3 026
1988 Q1	-1 398	-98	-1 495	37	-3 405	1 209	-729	-2 925	-1 577	1 467	-1 458
Q2	1 588	-370	1 285	-2 708	-1 473	228	-320	-1 565	-3 065	142	-1 423
Q3	-744	-277	-1 004	-2 202	-1 700	-214	-196†	-2 110†	-2 960†	-1 096	-3 206
Q4	-3 040	-863	-3 781	-1 069	-3 611	-731	-658	-5 000	-3 998	155	-4 850
1989 Q1	-3 225	-91	-3 280	-427	-6 061†	1 089†	-791	-5 763	-4 347	1 996	-3 707
Q2	..	..	..	..	928	-657	-302	-31	-1 619	..	..
1989 May	..	..	..	..	843†	-342†	-372†	129†	..	..	..
Jun	..	..	..	..	1 234	-999	462	697	..	..	..
Jul	..	..	..	..	-1 694	-215	540	-1 369	..	..	..

The relationships between the columns are as follows: 1 + 2 = 3; 3 + 4 = 11; 5 + 6 + 7 = 8; 8 + 10 = 11.
1 Due to the inclusion of the latest PSBR figures this table may not be internally consistent.
2 The excess of current and capital expenditure over receipts.
3 Table 31, columns 3 to 7 *less* columns 1 and 2.
4 Including cash expenditure on company securities (net). Lending is shown positively; repayment is shown negatively.
5 Redefined: see article in *Economic Trends*, No. 364, February 1984.
6 Excluding borrowing matched by on-lending to local authorities and public corporations.
7 Calendar year constrained.

Source: Central Statistical Office

Public expenditure and borrowing



33 Summary capital accounts and financial surplus or deficit[7]

£ million

	Public sector[1]			Financial companies and institutions			Industrial and commercial companies		
	Saving[2]	Capital transfers (net receipts)	Gross domestic capital formation[3]	Saving[2]	Capital transfers (net receipts)	Gross domestic capital formation[3]	Saving[2]	Capital transfers (net receipts)	Gross domestic capital formation[3]
	ABKJ	ABKK	ABKL	AAUM	AAUN	GGCX	AAUQ	AAUR	GGCW
1984	2 260	-1 512	13 697	6 096	-64	7 048	31 302	217	24 917
1985	3 693	-398	12 776	8 513	-118	7 829	32 540	112	27 160
1986	4 091	203	11 985	11 908	-219	7 301	31 084	48	28 967
1987	4 926	971	10 831	12 952	-283	8 023	41 973	-362	38 324
1988	13 273	1 939	10 217	17 155	-391	11 605	42 430	-182	44 944
1984 Q4	174	-323	3 579	1 990	-16	1 941	8 671	39	7 115
1985 Q1	168	-164	3 098	1 928	-21	2 469	8 551	22	7 271
Q2	827	-143	3 227	1 748	-32	1 511	8 257	14	6 662
Q3	1 744	-66	3 309	2 285	-32	1 987	7 643	40	6 656
Q4	954	-25	3 142	2 552	-33	1 862	8 089	36	6 571
1986 Q1	1 612	-7	2 983	2 648	-120	2 097	7 402	84	6 063
Q2	1 682	14	3 258	2 870	-33	1 640	6 475	33	6 708
Q3	-440	47	3 037	2 964	-33	1 571	8 889	-16	7 948
Q4	1 237	149	2 709	3 426	-33	1 993	8 318	-53	8 248
1987 Q1	404	107	2 749	3 363	-50	1 911	9 814	-5	8 199
Q2	962	156	2 656	2 996	-77	1 840	10 957	-69	9 758
Q3	1 817	253	2 837	3 426	-61	1 647	11 105	-123	11 467
Q4	1 743	455	2 589	3 167	-95	2 625	10 097	-165	8 900
1988 Q1	2 786	510	3 016	3 657	-98	2 515	11 112	-201	10 146
Q2	3 124	464	2 807	4 051	-89	2 910	10 798	-130	11 216
Q3	4 501	60	2 171	4 631	-81	3 190	11 360	366	10 602
Q4	2 862	905	2 223	4 816	-123	2 990	9 160	-217	12 980
1989 Q1	4 052	713	3 421	5 101	-151	3 342	10 108	-267	12 445

	Personal sector			Financial surplus/deficit[4]					
	Saving[2]	Capital transfers (net receipts)	Gross domestic capital formation[3]	Public sector	Financial companies and institutions	Industrial and commercial companies	Personal sector	Overseas sector[5]	Balancing item[6]
	AAUU	AAUV	GGCV	AAVE	AAVF	AAVG	AAVH	AAVI	AAVJ
1984	23 405	1 359	15 130	-12 949	-1 016	6 602	9 634	-2 077	-194
1985	23 269	404	15 903	-9 481	566	5 492	7 770	-3 355	-992
1986	19 571	-32	18 482	-7 691	4 388	2 165	1 057	-151	232
1987	16 358	-326	21 842	-4 934	4 646	3 287	-5 810	2 905	-94
1988	13 561	-1 366	28 187	4 995	5 159	-2 696	-15 992	14 937	-6 403
1984 Q4	6 278	300	3 665	-3 728	33	1 595	2 913	-838	25
1985 Q1	5 520	163	3 996	-3 094	-562	1 302	1 687	342	325
Q2	6 329	161	4 157	-2 543	205	1 609	2 333	-1 638	34
Q3	5 590	58	3 783	-1 631	266	1 027	1 865	-1 290	-237
Q4	5 830	22	3 967	-2 213	657	1 554	1 885	-769	-1 114
1986 Q1	5 118	43	4 401	-1 378	431	1 423	760	-972	-264
Q2	5 097	-14	4 256	-1 560	1 197	-200	827	-397	133
Q3	4 670	2	4 378	-3 430	1 360	925	294	747	104
Q4	4 686	-63	5 447	-1 323	1 400	17	-824	471	259
1987 Q1	4 482	-52	5 266	-2 238	1 402	1 610	-836	-705	767
Q2	4 698	-10	5 120	-1 538	1 079	1 130	-432	445	-684
Q3	3 358	-69	5 330	-767	1 718	-485	-2 041	1 107	468
Q4	3 820	-195	6 126	-391	447	1 032	-2 501	2 058	-645
1988 Q1	3 442	-211	5 931	280	1 044	765	-2 700	2 989	-2 378
Q2	3 866	-245	7 300	781	1 052	-548	-3 679	2 883	-489
Q3	2 177	-345	7 528	2 390	1 360	1 124	-5 696	3 483	-2 661
Q4	4 076	-565	7 428	1 544	1 703	-4 037	-3 917	5 582	-875
1989 Q1	4 108	-295	6 402	1 344	1 608	-2 604	-2 589	4 832	-2 591

1 Excluding financial transactions in writing-off debt.
2 Before providing for depreciation, stock appreciation and addition to reserves.
3 Comprises gross domestic fixed capital formation and increase in value of stocks and work in progress.
4 This balance is equal to saving *plus* capital transfers *less* gross domestic fixed capital formation, *less* increase in value of stocks and work in progress.
5 Equals, apart from the change in sign, the current balance of payments accounts, *plus* capital transfers.
6 For periods when the sector current and capital accounts are fully articulated, it is equal to the residual error in the national accounts.
7 In order to present a consistent table, first quarter figures for 1989 together with revisions to earlier data which are available for some series have not been included.

Source: Central Statistical Office

Sector financial surplus/deficit
£ million
Financial surplus
Financial deficit
Personal sector
Industrial and commercial companies sector
Overseas sector
Public sector
6,000
5,000
4,000
3,000
2,000
1,000
0
—1,000
—2,000
—3,000
—4,000
—5,000
—6,000
—7,000
1984
1985
1986
1987
1988
1989

34 Appropriation account of industrial and commercial companies[1]

£ million

	Income							Allocation of income				Balance	
	Income arising in the United Kingdom							Dividends, interest and other transfer payments					
	Gross trading profits												
	Net of stock appreciation												
	N. Sea oil companies	Other companies	Total[2]	Stock appreciation	Before deducting stock appreciation	Rent and non-trading income	Income from abroad (net of taxes paid abroad)	Total income	Dividends on ordinary and preference shares[3]	Other[3,4]	Profits due abroad (net of UK tax)	UK taxes on income: payments[5]	Undistributed income[6]	Undistributed income adjusted for unremitted profits[6,7]
	CIDT	CIDU	AIAO	AIAP	AIAQ	AIAR	AIAS	AIAN	AIBA	AIAV	AIAW	AIAY	AAUQ	AIAZ
1979	5 255	18 562	23 817	7 408	31 225	2 923	5 651	39 799	3 471	6 346	3 711	4 245	22 026	22 975
1980	8 056	17 656	25 712	5 394	31 106	3 637	5 085	39 828	3 234	8 841	4 424	5 705	17 624	18 383
1981	10 864	17 146	28 010	5 064	33 074	4 316	5 723	43 113	3 303	9 485	4 182	7 676	18 467	18 187
1982	12 726	21 303	34 029	3 511	37 540	4 501	5 647	47 688	4 057	10 432	3 973	9 198	20 028	19 489
1983	15 683	24 696	40 379	3 619	43 998	4 905	6 811	55 714	4 840	9 452	4 631	10 923	25 868	24 921
1984	19 009	27 748	46 757	4 117	50 874	5 526	8 814	65 214	5 040	10 645	5 536	12 691	31 302	28 701
1985	18 365	37 405	55 770	2 209	57 979	7 100	8 713	73 792	6 971	12 606	6 395	15 280	32 540	31 399
1986	8 421	43 324	51 745	1 524	53 269	7 402	8 006	68 677	9 000	11 321	4 334	12 938	31 084	28 534
1987	9 524	51 612	61 136	4 285	65 421	7 919	11 933	85 273	11 894	11 682	6 250	13 474	41 973	38 196
1988	8 877	62 140	69 017	5 138	74 155	9 060	13 101	96 316	17 574	14 618	6 582	15 112	42 430	39 782
1981 Q2	2 731	3 787	6 518	1 450	7 968	961	1 240	10 169	820	2 216	760	1 645	4 728	4 275
Q3	2 862	4 550	7 412	1 343	8 755	1 178	1 410	11 343	813	2 381	1 069	1 890	5 190	5 003
Q4	2 876	5 078	7 954	1 198	9 152	1 238	1 714	12 104	858	2 699	1 450	2 409	4 688	5 467
1982 Q1	2 634	4 405	7 039	929	7 968	1 184	1 349	10 501	1 170	2 592	1 008	2 122	3 609	3 133
Q2	3 069	5 762	8 831	759	9 590	1 158	1 342	12 090	999	2 712	927	2 464	4 988	4 811
Q3	3 512	5 302	8 814	900	9 714	1 075	1 351	12 140	971	2 573	930	2 457	5 209	5 042
Q4	3 511	5 834	9 345	923	10 268	1 084	1 605	12 957	917	2 555	1 108	2 155	6 222	6 503
1983 Q1	3 628	5 313	8 941	1 115	10 056	1 209	1 575	12 840	981	2 464	926	2 882	5 587	5 296
Q2	3 725	6 125	9 850	857	10 707	1 190	1 532	13 429	1 241	2 348	1 292	2 342	6 206	6 191
Q3	4 193	6 423	10 616	1 123	11 739	1 250	1 982	14 971	1 291	2 340	1 067	2 089	8 184	7 943
Q4	4 137	6 835	10 972	524	11 496	1 256	1 722	14 474	1 327	2 300	1 346	3 610	5 891	5 491
1984 Q1	4 211	6 607	10 818	863	11 681	1 322	1 959	14 962	1 106	2 298	1 372	2 894	7 292	7 292
Q2	4 715	6 403	11 118	1 378	12 496	1 274	1 933	15 703	1 362	2 514	1 471	2 983	7 373	7 354
Q3	4 901	7 277	12 178	759	12 937	1 481	2 517	16 935	1 253	2 958	1 518	3 240	7 966	7 590
Q4	5 182	7 461	12 643	1 117	13 760	1 449	2 405	17 614	1 319	2 875	1 175	3 574	8 671	6 465
1985 Q1	5 139	8 675	13 814	1 131	14 945	1 787	2 359	19 091	1 392	3 390	1 756	4 002	8 551	8 468
Q2	4 997	9 001	13 998	395	14 393	1 799	2 407	18 599	1 737	3 232	1 710	3 663	8 257	7 843
Q3	4 094	9 564	13 658	245	13 903	1 748	2 237	17 888	2 018	2 981	1 420	3 826	7 643	7 291
Q4	4 135	10 165	14 300	438	14 738	1 766	1 710	18 214	1 824	3 003	1 509	3 789	8 089	7 777
1986 Q1	3 136	10 388	13 524	-363	13 161	1 868	1 592	16 621	1 973	2 917	956	3 373	7 402	7 130
Q2	1 704	11 239	12 943	-80	12 863	1 780	1 950	16 593	2 303	2 664	1 083	4 068	6 475	6 171
Q3	1 633	10 402	12 035	928	12 963	1 793	2 216	16 972	2 156	2 722	1 042	2 163	8 889	8 422
Q4	1 948	11 295	13 243	1 039	14 282	1 961	2 248	18 491	2 568	3 018	1 253	3 334	8 318	6 811
1987 Q1	2 476	11 880	14 356	1 019	15 375	2 019	2 724	20 118	3 000	2 951	1 555	2 798	9 814	8 783
Q2	2 370	13 065	15 435	1 239	16 674	1 881	2 989	21 544	2 743	2 836	1 475	3 533	10 957	9 708
Q3	2 504	13 419	15 923	1 242	17 165	1 988	3 154	22 307	2 950	2 985	1 599	3 668	11 105	9 886
Q4	2 174	13 248	15 422	785	16 207	2 031	3 066	21 304	3 201	2 910	1 621	3 475	10 097	9 819
1988 Q1	1 991	15 511	17 502	917	18 419	1 998	2 760	23 177	3 854	3 048	1 470	3 693	11 112	10 350
Q2	1 830	14 905	16 735	1 455	18 190	1 976	3 165	23 331	3 721	3 123	1 533	4 156	10 798	9 539
Q3	1 670	16 070	17 740	1 441	19 181	2 398	3 506	25 085	4 430	3 975	1 791	3 529	11 360	10 830
Q4	1 386	15 654	17 040	1 325	18 365	2 688	3 670	24 723	5 569	4 472	1 788	3 734	9 160	9 063
1989 Q1	1 238	17 305	18 543	1 679	20 222	2 742	3 713	26 677	6 229	4 909	1 806	3 625	10 108	9 626

1 Figures reflect privatisation of British Telecom with effect from 28 November 1984, British Gas from 3 December 1986, British Airways from 6 February 1987, Royal Ordnance from 22 April 1987, BAA from 16 July 1987 and British Steel from 2 December 1988.

2 Before providing for depreciation.

3 Dividend payments on ordinary and preference shares are net of tax; the advance corporation tax in respect of those dividends is included in UK taxes on income. Excludes dividend and debenture interest paid by UK subsidiaries to their overseas parents.

4 Including royalties and licence fees on oil and gas production.

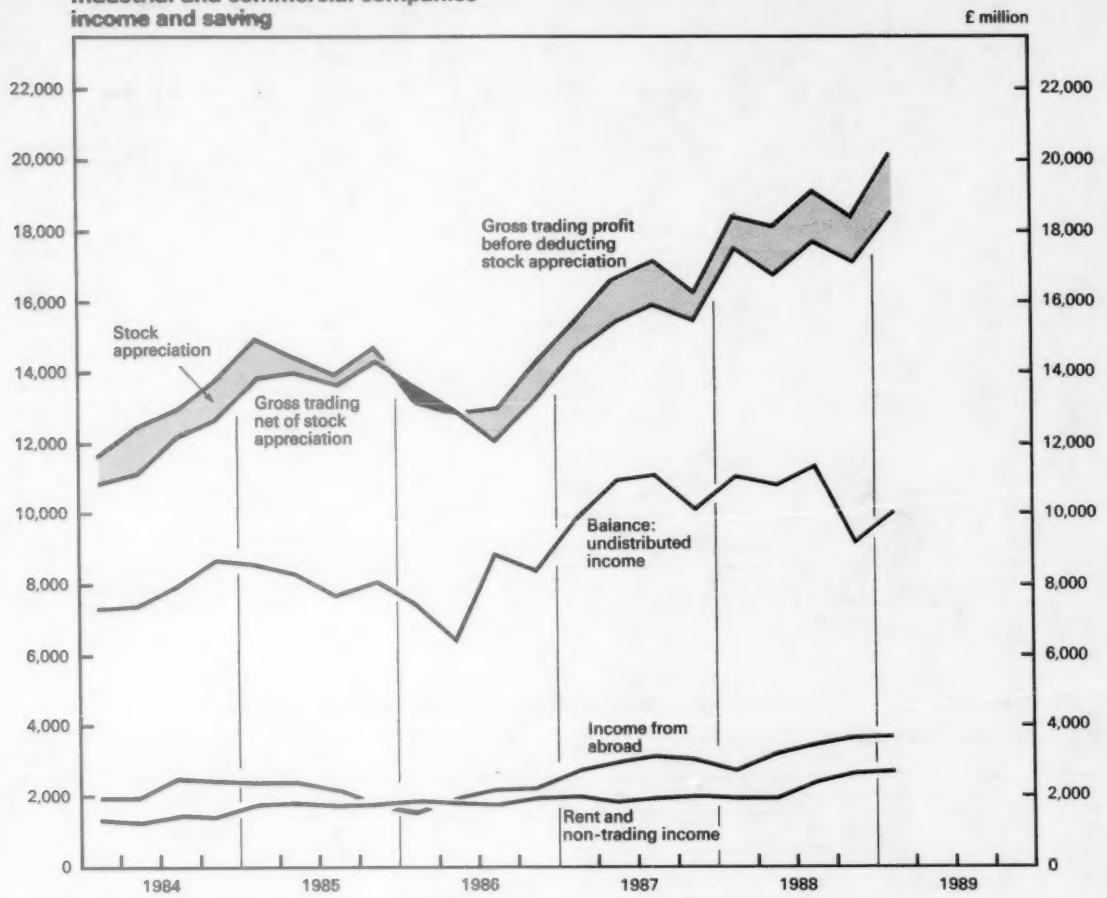
5 Mainly payments of corporation tax (including advance corporation tax) and petroleum revenue tax.

6 Before providing for depreciation, stock appreciation and additions to reserves.

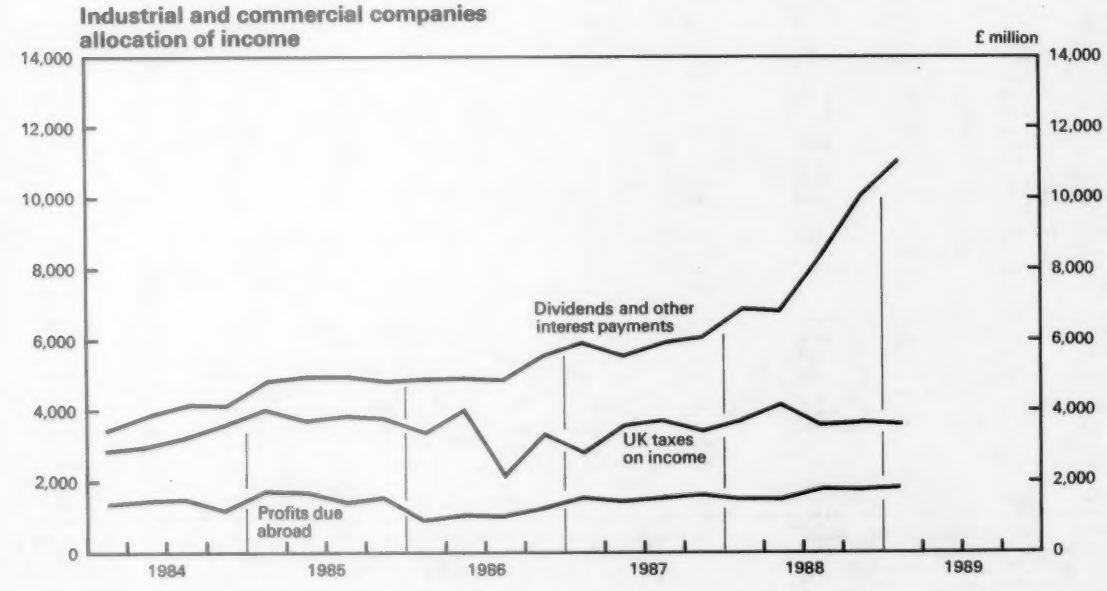
7 Excludes profits retained abroad by overseas subsidiaries of UK companies. Includes profits retained in the United Kingdom by subsidiaries of overseas companies.

Source: Central Statistical Office

Industrial and commercial companies income and saving



Industrial and commercial companies allocation of income



35 Capital account and financial surplus/deficit of industrial and commercial companies[1]

£ million

	Receipts					Expenditure				
	Undistributed income	Stock appreciation	Undistributed income less stock appreciation	Capital transfers	Total receipts[2]	Gross domestic fixed capital formation	Value of physical increase in stocks and work in progress	Taxes on capital and other capital transfers	Total expenditure	Balance: financial surplus/deficit
	AAUQ	AIAP	FMBC	CIDZ	FMBA	AAUS	FMBG	FMBH	FMBF	AAVG
1986	31 084	1 524	29 560	719	30 279	26 422	1 021	671	28 114	2 165
1987	41 973	4 285	37 688	512	38 200	32 562	1 477	874	34 913	3 287
1988	42 430	5 138	37 291†	1 022	38 313†	37 461	2 345	1 204	41 010	-2 696
1985 Q3	7 643	245	7 398	151	7 549	6 257	154	111	6 522	1 027
Q4	8 089	438	7 651	157	7 808	6 271	-138	121	6 254	1 554
1986 Q1	7 402	-363	7 765	163	7 928	5 977	449	79	6 505	1 423
Q2	6 475	-80	6 555	209	6 764	6 663	125	176	6 964	-200
Q3	8 889	928	7 961	185	8 146	7 501	-481	201	7 221	925
Q4	8 318	1 039	7 279	162	7 441	6 281	928	215	7 424	17
1987 Q1	9 814	1 019	8 826†	154	8 980†	6 837	343	159	7 339	1 610
Q2	10 957	1 239	9 700	135	9 835	8 453	66	204	8 723	1 130
Q3	11 105	1 242	9 859	113	9 972	9 179	1 046	236	10 461	-485
Q4	10 097	785	9 303	110	9 413	8 093	22	275	8 390	1 032
1988 Q1	11 112	917	10 232	108	10 340	8 856	373	309	9 538	765
Q2	10 798	1 455	9 318	116	9 434	9 245	516	246	10 007	-548
Q3	11 360	1 441	9 920	658	10 578	9 352	-191	292	9 453	1 124
Q4	9 160	1 325	7 821	140	7 961	10 008	1 647	357	12 012	-4 037
1989 Q1	10 108	1 679	8 507	162	8 669	10 170	596	429	11 195	-2 604

1 Figures reflect privatisation of British Telecom with effect from 28 November 1984, British Gas from 3 December 1986, British Airways from 6 February 1987, Royal Ordnance from 22 April 1987, BAA from 16 July 1987 and British Steel from 2 December 1988.

2 After deducting stock appreciation but before providing for depreciation.

Source: Central Statistical Office

36 Financial transactions including net borrowing requirement of industrial and commercial companies[1]

£ million

	Transactions leading to net borrowing requirement						Financing of net borrowing requirement[4]				
							Borrowing from		Financial assets		
	Financial surplus/deficit	Net unremitted profits[2]	Net identified trade and other credit[3,4]	Investment in UK company securities[5]	Investment abroad	Balancing item	Banks[6]	Other	Liquid	Other	Net borrowing requirement (NBR)
	1	*2*	*3*	*4*	*5*	*6*	*7*	*8*	*9*	*10*	*11*
	AAVG	-AICX	-AIDL	-AICC	-AIDC	-AAOB	-AANA	-AICT	-AICU	-AICV	-AICW
1985	5 492	-1 141	-767	-2 995	-3 904	-3 865	7 704	5 034	-4 835	-723	7 180
1986	2 165	-2 550	-842	-1 977	-5 221	-2 367	9 417	11 742	-11 139	772	10 792
1987	3 287	-3 777	-1 019	-3 179	-15 363	-3 678	13 003	23 203	-9 754	-2 723	23 729
1988	-2 696	-2 648	-2 119	-10 301	-10 789	-13 960	29 614	16 230	-5 422	2 091	42 513
			-ABKP			-AIDD	-AIDF	-AIDJ	-AIDG		-AIDI
1985 Q2	1 609	-414	-618	-1 024	-798	-2 679	1 831	820	-250	1 523	3 924
Q3	1 027	-352	471	-679	-574	756	2 117	896	-1 483	-2 179	-649
Q4	1 554	-312	-899	-458	-755	-1 873	1 822	1 207	-1 261	775	2 543
1986 Q1	1 423	-272	945	-320	458	-4 377	2 099	1 797	-1 928	75	2 143
Q2	-200	-304	-980	-588	-296	2 044	898	3 766	-4 282	-58	324
Q3	925	-467	-678	-441	-2 562	1 365	1 668	2 649	-4 912	2 453	1 858
Q4	17	-1 507	-115	-628	-2 821	-1 413	4 752	3 530	-117	-1 698	6 467
1987 Q1	1 610	-1 031	529	-273	-2 522	382	1 772	3 119	-2 593	-993	1 305
Q2	1 130	-1 249	-618	-1 294	-4 584	1 878	2 289	5 240	-1 575	-1 217	4 737
Q3	-485	-1 219	-12	-508	-6 401	-4 025	4 657	10 017	-1 843	-181	12 650
Q4	1 032	-278	-890	-1 104	-1 856	-1 941	4 045	4 827	-3 503	-332	5 037
1988 Q1	765	-762	423	-3 670	-1 264	-5 253	7 849	4 223	-2 336	25	9 761
Q2	-548	-1 259	-1 004	-2 405	-2 978	-3 946	7 428	3 855	508	349	12 140
Q3	1 124	-530	77	-2 258	-2 338	-5 222	7 704	3 612	-3 065	896	9 147
Q4	-4 037	-97	-1 673	-1 968	-4 209	57	7 335	4 540	-769	821	11 927
1989 Q1	-2 604	-482	582	-1 437	-5 450	-3 881	7 206	8 749	-4 430	1 747	13 272

1 Inflows(+), outflows(-); relationships between columns: 1+2+3+4+5+6+7+8+9+10 = zero; 7+8+9+10 = 11.

2 Retained in UK (+); retained abroad (-).

3 Includes accruals adjustment.

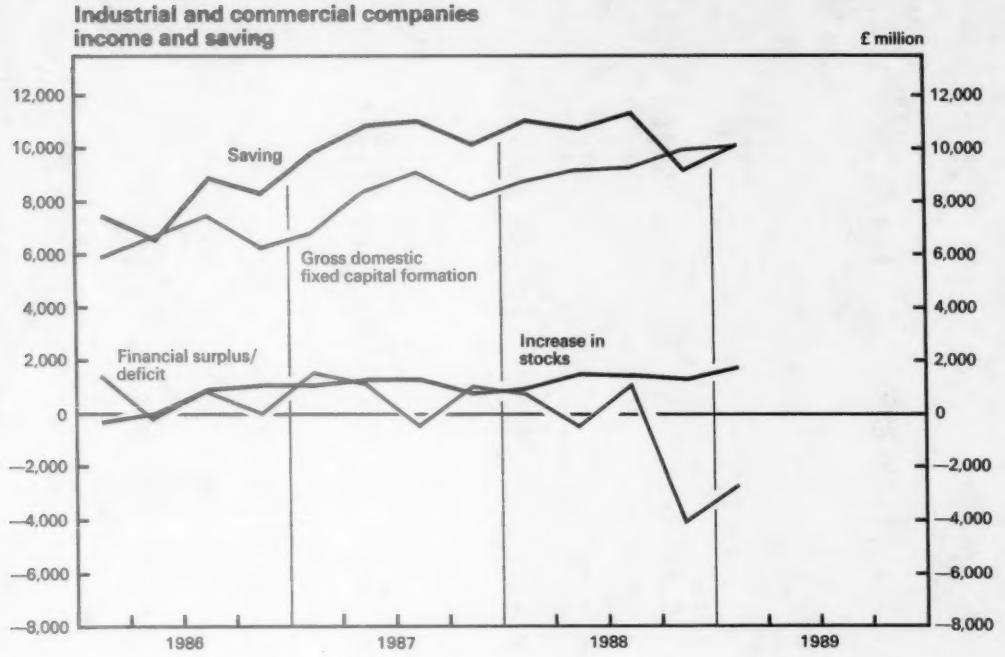
4 Seasonal adjustments include day-of-week adjustments. The quarterly figures therefore do not always sum to the annual totals.

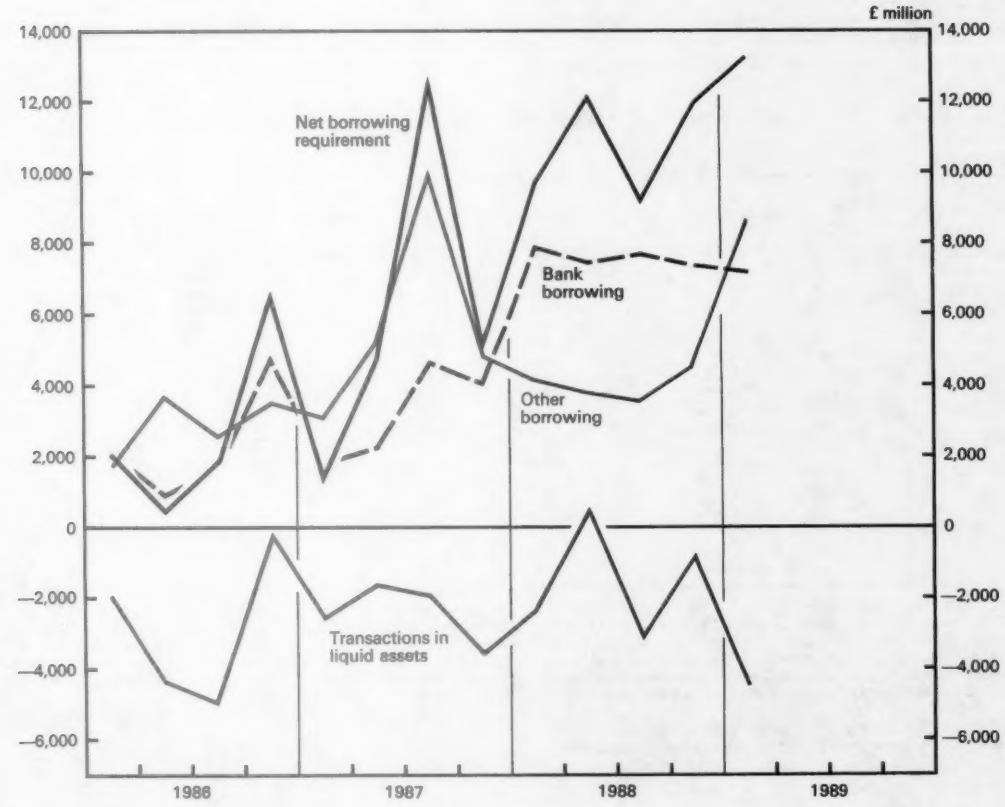
5 Cash expenditure on subsidiaries and trade investments in the United Kingdom.

6 Includes Bank of England Issue Department transactions in commercial bills.

Source: Central Statistical Office

Industrial and commercial companies income and saving





37 UK banks' lending to UK residents[1]

£ million

	Lending to public sector			Lending to private sector		
	Sterling	Other currencies	Total	Sterling	Other currencies	Total
Transactions						
	AEBT	AECC	FPAA	AECI	AECO	FPAD
1984	631	291	922	16 541	4 904	21 445
1985	-2 092	404	-1 688	20 968	4 742	25 710
1986	-954	30	-924	30 446	8 252	38 701
1987	59	-347	-288	38 432	10 557†	49 009†
1988	-1 500	-566	-2 066	56 694	9 623	67 146
1984 Q2	-2 580	43	-2 307	4 953	808	3 970
Q3	1 038	115	1 042	2 502	1 047	4 861
Q4	960	189	1 121	4 642	1 947	7 176
1985 Q1	-3 653	89	-3 586	7 687	3 227	9 531
Q2	-1 815	35	-1 801	5 042	1 382	6 305
Q3	1 723	22	1 724	3 974	-806	3 629
Q4	1 653	258	1 975	3 103	939	6 245
1986 Q1	72	1	51	7 768	2 362	8 900
Q2	-1 420	-69	-1 510	7 500	1 575	8 045
Q3	-383	195	-210	7 386	3 688	10 608
Q4	777	-97	745	7 325	627	11 148
1987 Q1	651	220	854	9 649	7 136	13 858
Q2	-2 775	28	-2 764	11 166	4 738†	13 667†
Q3	-176	-80	-273	11 137	-1 156	10 272
Q4	2 359	-515	1 895	10 210	-161	11 212
1988 Q1	511†	-761	-268†	10 883†	1 834	14 606
Q2	-3 269	-130	-3 416	16 975	1 603	17 102
Q3	-1 222	1	-1 239	15 833	3 034	18 267
Q4	2 480	324	2 857	12 567	3 152	17 171
1989 Q1	-2 353	-197	-2 568	17 541	6 501	20 671
Q2	-690	72†	-636	13 687	2 516	15 300

1 Seasonally adjusted data are shown on a calendar year basis whereas data in Tables 1, 29 and 30 are on a financial year basis. The quarterly figures do not necessarily add up to the (unadjusted) figures shown for the year as a whole. This is because as well as allowing for purely seasonal factors, the adjustments attempt to remove other distortions (such as the effect of the particular days of the week on which a quarter begins and ends), which do not necessarily cancel out over a year.

Source: Bank of England

38 UK banks' loans, advances and acceptances to UK residents[1]

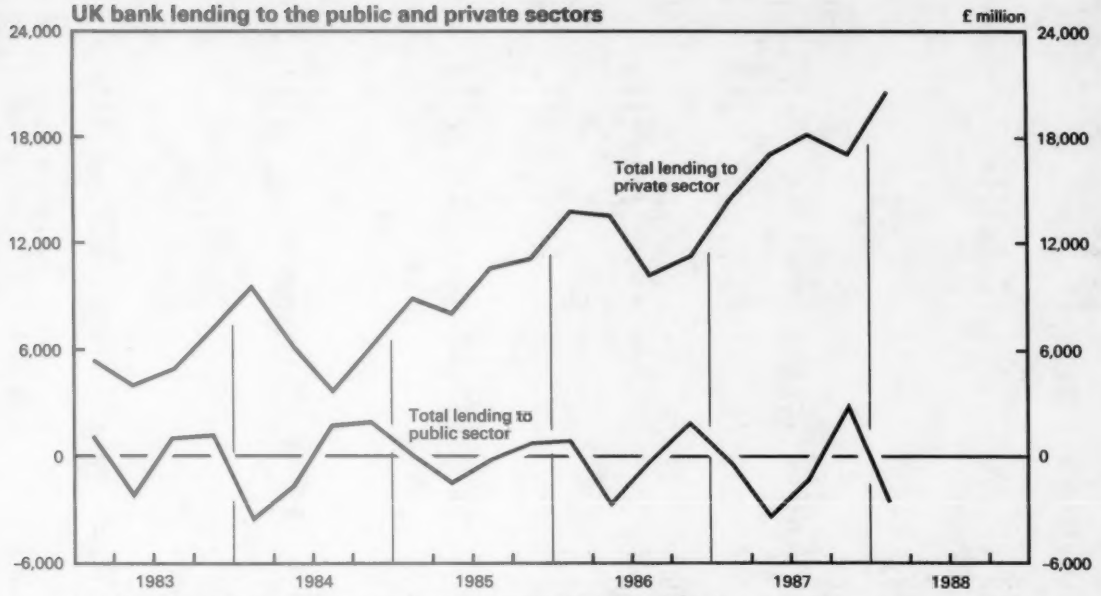
£ million

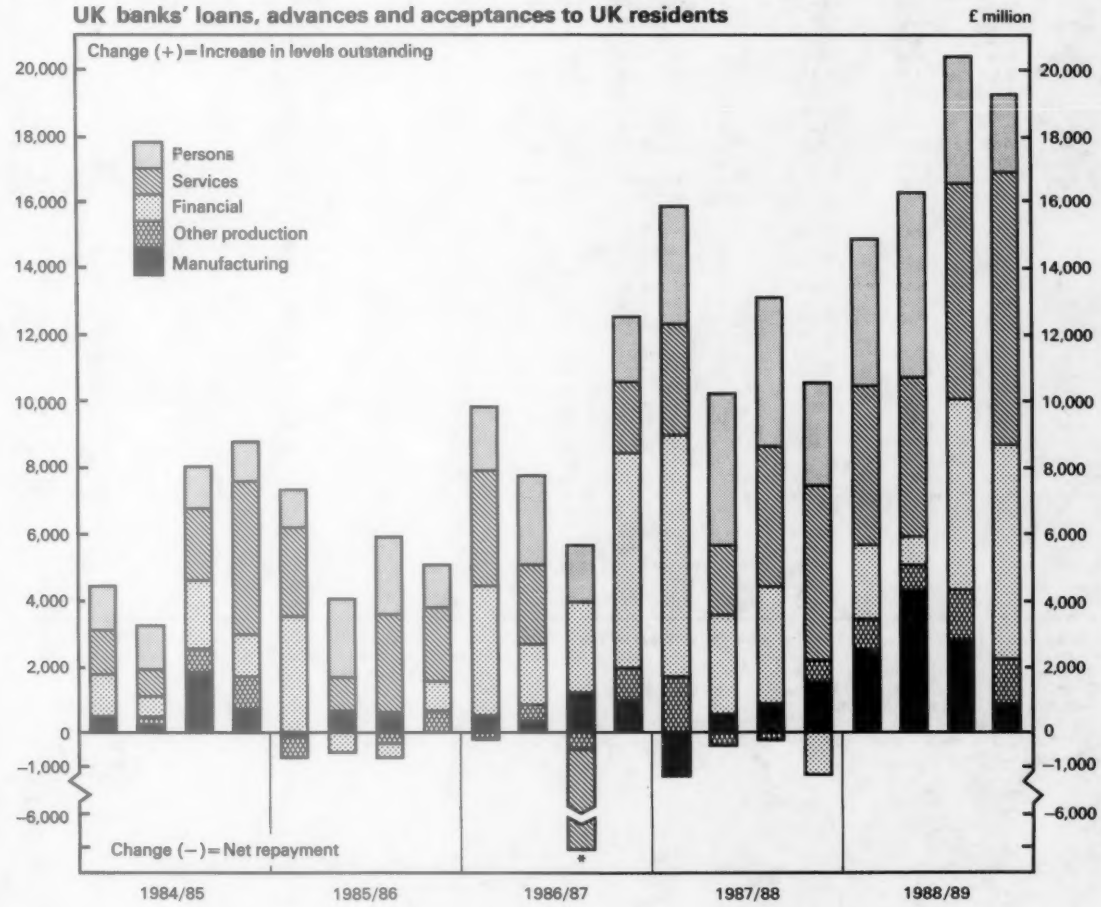
	Manufacturing	Other production	Financial	Services	Persons	Total loans, advances and acceptances
Amounts outstanding (May 1989):	44 976	23 990	93 727	99 555	84 636	346 883
Changes						
	FRAB	FRAC	FRAD	FRAE	FRAF	FRAA
1986 Aug	358	487	1 849	2 320	2 784	7 796
Nov	1 193	-570	2 715[2]	-6 554[2]	1 759	11 264
1987 Feb	917	944	6 317	2 055	2 016	12 248
May	-1 035	1 673	7 258	3 386	3 517	14 801
Aug	578	-436	2 901	2 190	4 533	9 767
Nov	858	-228	3 514	4 264	4 513	12 919
1988 Feb	1 493	724	-1 324	5 215	3 109	9 217
May	2 537	892	2 194	4 823	4 430	14 876
Aug	4 346	751	833	4 785	5 548	16 263
Nov	2 823	1 483	5 701	6 518	3 827	20 352
1989 Feb	880	1 365	6 512	8 109	2 296	19 162
May	2 985	1 232	4 991	6 650	3 877	19 733

1 For a more detailed breakdown of these figures see *Financial Statistics* Table 6.6. The analysis covers loans, advances and acceptances in both sterling and foreign currencies (changes in the latter being adjusted for exchange rate movements) provided by banks to their customers and therefore does not include funds placed through the local authority money market or funds lent to monetary sector institutions. Acceptances are not granted to persons.

2 From November 1986 lending to securities dealers, stockbrokers and stockjobbers (including money placed with Stock Exchange money brokers and gilt-edged market makers) is included within the financial sector. Such lending was previously included in the services sector. Whilst the effect of this reclassification can be seen in the change shown for the services sector in the period August-November 1986, it is not possible to reflect it in the financial sector for the same period because the amount of outstanding lending to securities dealers etc. at August 1986 is not known.

Source: Bank of England





* See footnote[2] page 66 lower table

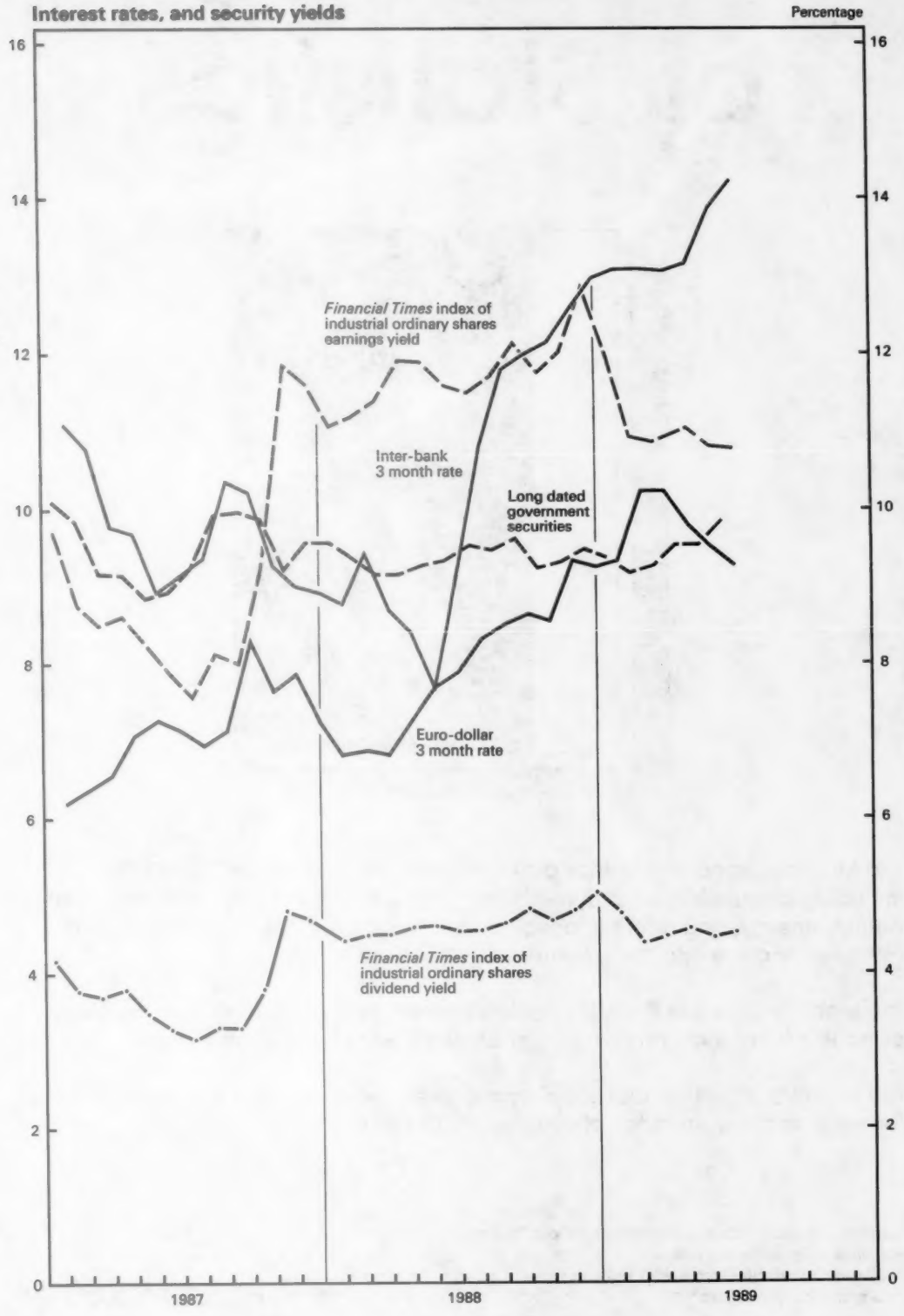
39 Interest rates, security prices and yields

Percentage rate

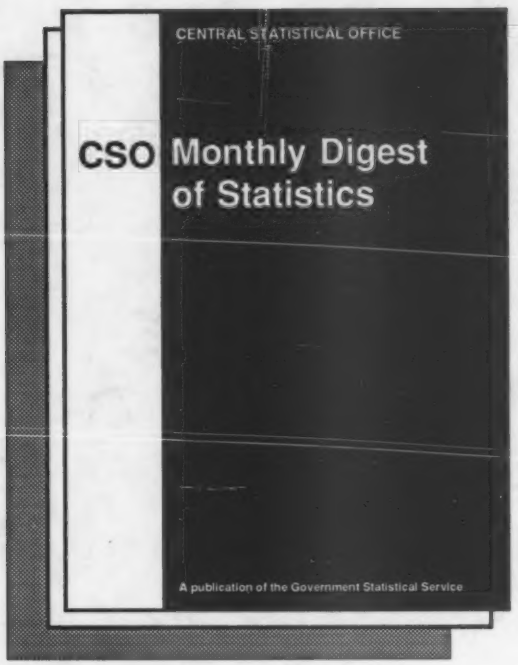
	Last Friday						Last working day		Average of working days			
			Selected retail banks							Financial Times index of industrial ordinary shares 1 July 1935 = 100		
	Treasury bill yield[1]	Deposits with local authorities - 3 months[2]	Base rate	Deposit account: 7 days' notice	Inter-bank 3 month rate[3]	Sterling certificates of deposit - 3 months	Euro-dollar 3 month rate	Building societies basic rate on shares[4]	British government securities: long dated[5] - 20 years	Price index	Dividend yield	Earnings yield
	AJNC	AJOI		AJNF			AJIB	AJNM	AJLX	AJMT	AJMU	AJMV
1982	9.96	..	10.00-10.25	6.81	10.44-10.63	10.19-10.31	9.25	..	12.88	574.72	5.29	10.82
1983	9.04	9.31	9.00	5.50	9.34-9.41	9.25- 9.31	9.87	..	10.80	692.62	4.70	9.58
1984	9.33	10.13	9.50- 9.75	6.25	10.00-10.13	9.81- 9.94	8.62	6.75	10.69	854.87	4.66	10.76
1985	11.49	11.94	11.50	7.86	11.81-11.94	11.69-11.81	7.97	7.00	10.62	1 004.64	4.62	11.48
1986	10.94	11.31	11.00	6.92	11.31-11.34	11.00-11.13	6.31	5.99	9.87	1 267.11	4.25	10.16
1987	8.38	8.88	8.50	3.58	8.75-9.00	8.81- 8.88	7.25	4.02	9.47	1 600.01	3.73	8.98
1988	12.91	13.19	13.00	5.97	12.69-13.19	12.94-13.00	9.25	5.59	9.36	1 448.73	4.62	11.72
1986 Jan	12.47	12.75	12.50	8.78	11.81-11.94	12.69-12.81	8.00	7.00	10.80	1 127.58	4.43	10.89
Feb	12.21	12.25	12.50	8.78	12.25-12.38	12.13-12.38	7.75	7.00	10.40	1 220.80	4.27	10.32
Mar	11.04	11.25	11.50	7.74	11.13-11.31	11.19-11.31	7.34	7.00	9.39	1 348.97	4.00	9.55
Apr	10.09	10.38	10.50	6.54	10.25-10.38	10.19-10.31	6.81	6.01	8.76	1 391.12	3.87	9.49
May	9.56	9.75	10.00	6.54	9.69-9.94	9.63- 9.75	7.09	6.00	9.00	1 331.60	4.10	10.20
Jun	9.52	9.75	10.00	6.54	9.75-9.88	9.66- 9.72	6.81	5.25	9.23	1 332.13	4.14	10.03
Jul	9.76	9.88	10.00	6.08	9.88-10.00	9.75- 9.88	6.44	5.25	9.37	1 309.62	4.21	10.14
Aug	9.56	9.81	10.00	6.08	9.81-9.94	9.63- 9.75	5.62	5.25	9.41	1 262.13	4.37	10.56
Sep	9.93	10.38	10.00	6.08	10.50-10.69	10.44-10.56	6.06	5.25	9.97	1 286.23	4.31	9.91
Oct	10.85	10.94	11.00	6.92	11.60-11.25	11.00-11.13	5.87	5.25	10.62	1 262.33	4.42	10.16
Nov	10.96	11.38	11.00	6.92	11.38-11.44	11.19-11.25	6.06	5.99	10.80	1 289.25	4.41	10.21
Dec	10.94	11.31	11.00	6.92	11.00-11.13	11.00-11.13	6.31	5.99	10.69	1 283.58	4.45	10.50
1987 Jan	10.85	11.00	11.00	6.92	11.00-11.13	10.88-11.00	6.19	5.99	10.09	1 392.63	4.12	9.68
Feb	10.48	10.75	11.00	6.92	10.69-10.81	10.69-10.75	6.37	5.99	9.83	1 529.60	3.72	8.72
Mar	9.54	9.87	10.00	5.60	9.69-9.81	9.63- 9.66	6.56	5.99	9.16	1 596.26	3.67	8.48
Apr	9.39	9.63	10.00	5.54	9.56-9.75	9.63- 9.69	7.06	5.99	9.12	1 554.78	3.77	8.58
May	8.68	8.75	9.00	4.69	8.81-8.94	8.69- 8.81	7.25	5.03	8.82	1 674.07	3.44	8.23
Jun	8.96	9.13	9.00	4.69	9.06-9.13	8.97- 9.03	7.12	5.00	8.90	1 759.78	3.25	7.83
Jul	9.14	9.25	10.00	4.69	9.19-9.44	9.03- 9.06	6.94	4.99	9.23	1 855.23	3.10	7.52
Aug	10.12	10.38	10.00	4.95	10.13-10.50	10.13-10.19	7.12	4.99	9.92	1 757.59	3.28	8.11
Sep	10.02	10.06	10.00	4.95	10.13-10.25	10.00-10.13	8.31	4.99	9.98	1 801.84	3.26	7.98
Oct	9.07	9.19	9.50	4.61	9.19-9.31	9.06- 9.19	7.62	4.99	9.88	1 645.30	3.75	9.22
Nov	8.67	8.88	9.00	4.12	8.88-9.03	8.78- 8.84	7.88	4.93	9.20	1 296.04	4.78	11.83
Dec	8.38	8.88	8.50	3.58	8.75-9.00	8.81- 8.88	7.25	4.02	9.57	1 337.02	4.67	11.58
1988 Jan	8.38	8.69	8.50	3.58	8.69-8.75	8.66- 8.72	6.81	4.00	9.57	1 419.37	4.39	11.02
Feb	9.01	9.25	9.00	4.04	9.19-9.63	9.13- 9.25	6.88	4.00	9.38	1 397.56	4.48	11.16
Mar	8.48	8.63	8.50	3.53	8.56-8.75	8.59- 8.66	6.81	4.00	9.12	1 446.73	4.48	11.37
Apr	7.98	8.50	8.00	2.92	8.25-8.50	8.38- 8.44	7.25	4.00	9.12	1 421.19	4.57	11.89
May	7.28	7.63	7.50	2.43	7.56-7.75	7.50- 7.56	7.68	3.51	9.27	1 427.45	4.59	11.86
Jun	9.24	8.88	9.00	3.07	8.94-9.44	9.06- 9.13	7.88	3.49	9.32	1 470.13	4.51	11.56
Jul	10.53	10.75	10.50	4.52	10.63-10.94	10.56-10.63	8.31	3.49	9.51	1 488.92	4.52	11.47
Aug	11.82	11.88	12.00	4.93	11.31-12.25	11.88-11.94	8.50	4.69	9.47	1 474.30	4.61	11.67
Sep	11.47†	11.88	12.00	5.43	11.75-12.19	11.81-11.88	8.63	4.70	9.60	1 429.22	4.80	12.11
Oct	11.84	12.00	12.00	5.43	12.00-12.25	12.00-12.60	8.56	5.57	9.23	1 493.35	4.65	11.71
Nov	12.98	12.75	13.00	5.43	12.13-13.00	13.00-13.03	9.31	5.57	9.30	1 478.12	4.78	12.00
Dec	12.91	13.19	13.00	5.97	12.69-13.19	12.94-13.00	9.25	5.59	9.46	1 438.44	5.08	12.84
1989 Jan	12.70	12.81	13.00	5.97	13.00-13.13	12.94-13.19	9.31	5.87	9.35	1 543.53	4.76	11.96
Feb	12.91	13.00	13.00	5.97	12.94-13.19	12.94-13.06	10.25	6.06	9.15	1 676.22	4.37	10.90
Mar	12.79	13.00	13.00	5.97	12.94-13.13	12.94-13.00	10.25	6.06	9.26	1 710.70	4.45	10.83
Apr	12.62	12.81	13.00	5.97	12.88-13.38	12.75-12.88	9.81	6.06	9.52	1 700.63	4.55	11.03
May	13.35	13.81	14.00	5.97	13.81-13.88	13.69-13.81	9.50	6.06	9.52	1 775.56	4.43	10.79
Jun	13.71	14.06	14.00	5.97	14.19-14.25	13.94-14.06	9.25	6.06†	9.88	1 779.72	4.50	10.77
Jul	13.32	13.88†	14.00	5.97†	13.81-13.88	13.78-13.84	8.50†	..	9.53†	1 863.30†	4.34†	10.16†

1 Average discount rate expressed as the rate at which interest is earned during the life of the bills.
2 For a minimum term of 3 months and thereafter at 7 days' notice.
3 Spread of rates over the day in the inter-bank sterling market; from June 1982 rates are the spread at 10.30 am.
4 The series comprises a weighted average of basic rates offered by the largest societies. The rates are net of income tax where this is paid by societies at the agreed composite rate.
5 Averages of Wednesdays until February 1980; from March 1980 figures are the average of all observations (3 a week); from January 1982 average of working days. Calculated gross redemption yields - see *Financial Statistics Explanatory Handbook*.

Sources: Central Statistical Office; Bank of England; HM Treasury; Building Societies Commission; Financial Times; Institute of Actuaries; Faculty of Actuaries


Interest rates, and security yields
Percentage
16
14
12
10
8
6
4
2
0
Financial Times index of industrial ordinary shares earnings yield
Inter-bank 3 month rate
Long dated government securities
Euro-dollar 3 month rate
Financial Times index of industrial ordinary shares dividend yield
1987
1988
1989

Monthly Digest of Statistics



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Cyclical indicators for the UK economy

Recent movements of the indices

Taking account of the coal strike of 1984/85, the coincident index reached a peak in January 1985. Since then there has been a trough, provisionally dated in August 1986.

The cyclical movements since the 1981 trough are significantly smaller than those seen in the 1970s and somewhat smaller than those seen in the 1960s. The small size of the cyclical movements over recent years reflects the fact that during this period GDP growth was exceptionally steady by historical standards. The current paths of the indices are consistent with a slowdown in economic growth, but it should be borne in mind that recent values of the indices are subject to revision as later information modifies the assessment of current trend.

First estimates of the longer leading, shorter leading and coincident indices to July and the lagging index to June are now available.

In the absence of the two series that particularly have been pushing the index down recently — housing starts and the financial deficit of companies — the provisional longer leading index for July shows a slight rise compared with June.

The shorter leading index shows a rising path from April to July influenced particularly by a sharp rise in new consumer credit in May, which was only partly reversed in June.

The coincident index continues the decline seen since mid-1988.

The lagging index this month incorporates the high level of manufacturing investment reported for the second quarter and revisions to the path of investment in 1988. The index now has a clearly upward path.

This month a new graph has been introduced showing the indices after allowing for their timing differences.

Definitions

This section shows a reference chronology of peaks and troughs representing growth cycles in the UK economy, together with groups of indicator series which have in the past had a consistent timing relationship with the reference cycle. Growth cycles are defined as cyclical movements in the deviations from a long-trend; thus, the contraction phase of a growth cycle occurs when the rate of growth is below this long-term value.

The historical reference chronology has been determined by examination of a range of series covering aggregate economic activity. Known special economic and climatic factors were discounted in judging the location of reference turning points. The indicators forming each group have been chosen because they have had a consistent timing relationship to the reference chronology, and because there is a economic rationale to account for this relationship.

A composite index for each group of indicators series is formed by subtracting from each series the value of its long-term trend, then taking a simple average of the trend-eliminated series after smoothing and scaling them to give cycles of similar amplitude, and inverting them where appropriate.

Precise details on data availability for each of the component series used in the compilation of the indicators is shown in Table B.

Table A - Recent movements of the indicators

		Longer Leading (5 component series) DKBR	Shorter Leading (5 component series) DKBS	Coincident (7 component series) DKBP	Lagging (5 component series) DKBQ
1987	Jan	102.8	98.3	98.1	96.1
	Feb	103.9	98.9	98.1	95.5
	Mar	104.4	99.6	98.9	95.6
	Apr	104.8	100.2	99.4	95.4
	May	105.4	100.8	100.1	95.8
	June	106.2	101.2	101.0	96.4
	July	106.5	101.7	101.9	96.4
	Aug	106.1	101.9	102.6	96.9
	Sept	106.2	102.0	102.3	97.0
	Oct	105.7	102.3	101.9	97.3
	Nov	104.8	102.3	101.9	97.7
	Dec	104.9	102.4	102.8	97.7
1988	Jan	105.0	102.8	103.4	98.9
	Feb	104.7	102.6	104.2	99.0
	March	104.3	102.6	104.1	99.7
	April	104.0	102.9	104.2	100.0
	May	103.9	102.9	104.2	100.8
	June	103.3	103.7	104.1	100.5
	July	102.5	104.4	103.8	100.5
	Aug	101.8	104.1	103.2	100.5
	Sep	100.8	103.8	102.8	100.1
	Oct	100.3	102.8	102.4	99.7
	Nov	99.6	100.9	102.1	99.7
	Dec	99.2	100.4	101.6	99.9
1989	Jan	98.7	99.8	101.0	101.1
	Feb	97.9	99.4	100.2	101.4
	Mar	96.9	99.3	99.7	102.2
	Apr	95.3 (4)	99.1 (4)	98.9 (5)	103.1
	May	94.5 (4)	99.9 (4)	97.6 (5)	103.4
	June	94.1 (4)	100.7 (4)	96.8 (5)	103.5 (4)
	July	94.4 (3)	101.2 (2)	96.0 (3)	

1 A full explanation of the methodology used is given in *Economic Trends*, No. 257, March 1975 and No. 271, May 1976. Each month a chart of the composite indicators is published with, in the February May, August and November issues, a further ten pages showing individual indicator series.

2 Values of the composite indices are published in order to show more precisely the shape of the graphs in recent months. The values are subject to revision each month, both because of revisions to the series from which they are formed and because of the nature of the trend-elimination process used in the calculation; the values of the indices have no intrinsic meaning but positive values indicate that an index is above its long term trend and negative values indicate that it is below its long term trend. The method of calculation for the indices means that they lie in the range 80 to 120. On the charts the parts of the curves which are liable to revision in the trend-elimination process are shown in pecked lines; where the composite indices are based on an in complete set of indicators, the curves are shown as dotted lines. Additional tables giving the value of all series used are available from the CSO: 01-270 5966.

3 This table is based on monthly and quarterly data available to 21 August.

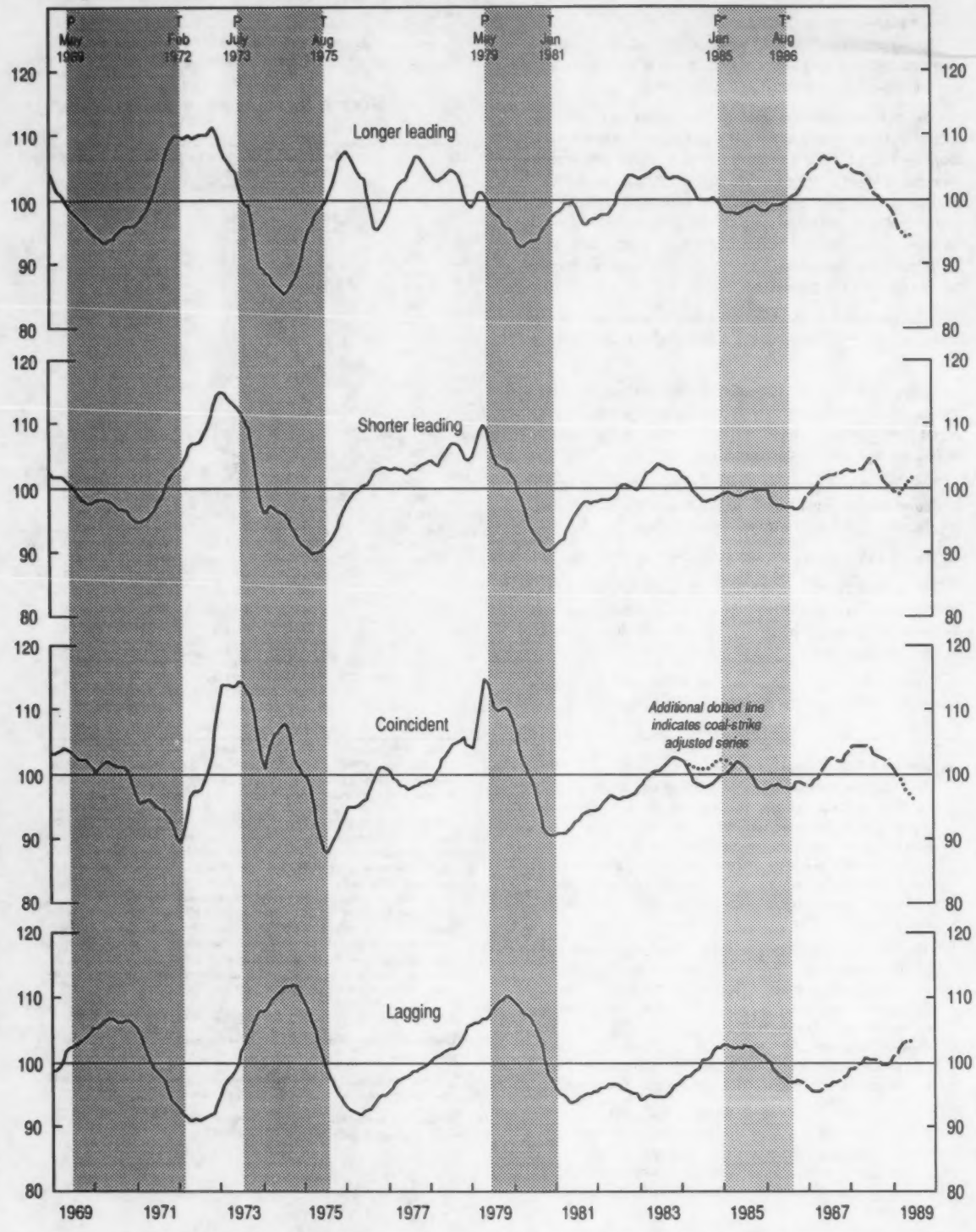
4 Bracketed figures show the number of series available where the index is incomplete.

5 The index numbers given here are for comparative purposes only and should not be regarded as accurate to the last digit shown.

6 Longer runs of the indices and their component series are available from the CSO Databank or on subscription from the CSO

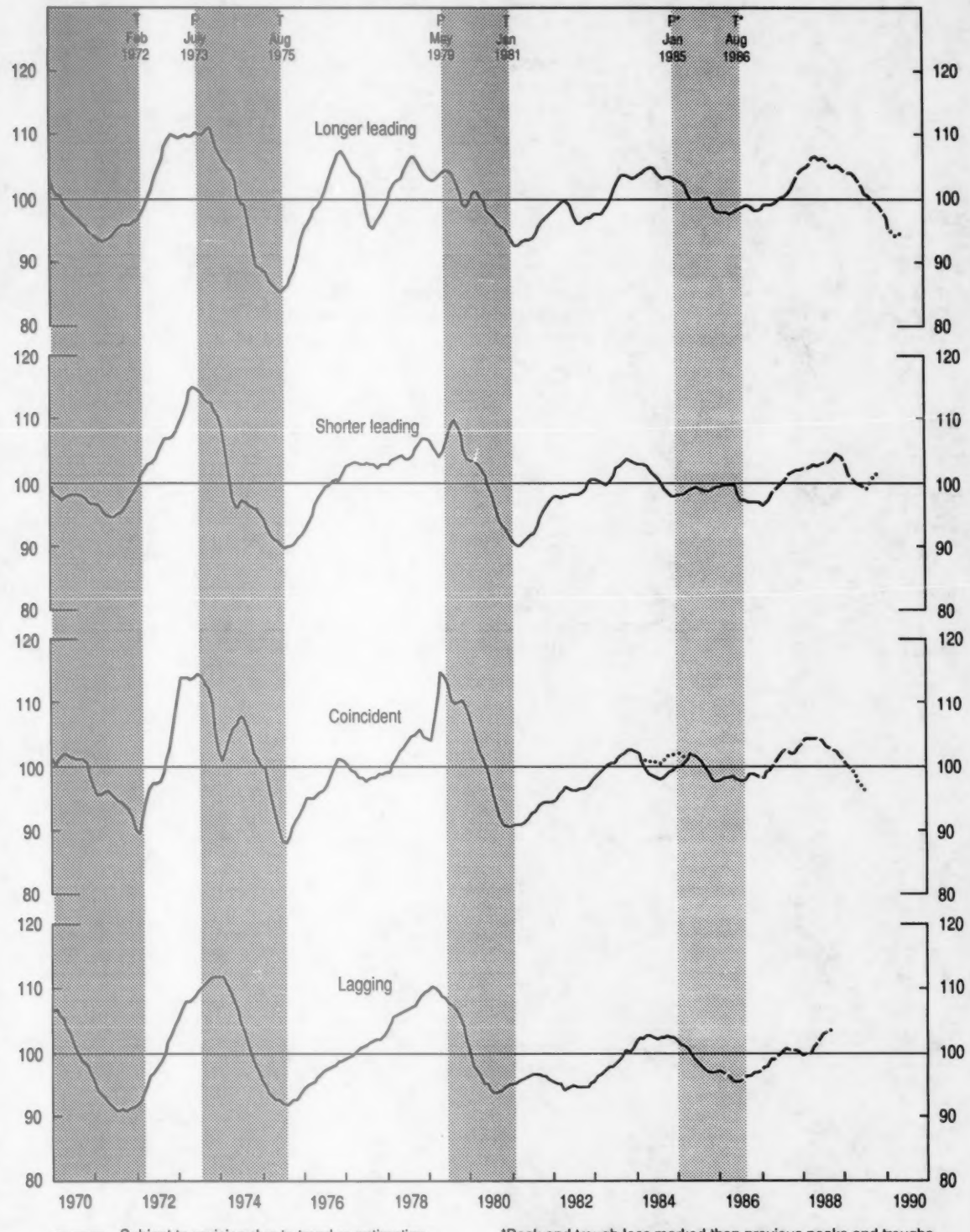
Cyclical indicators

Composite indices of indicator groups.Long term trend=100



Cyclical indicators with leads and lags applied[1]

Composite indices of indicator groups. Long term trend=100



Subject to revision due to trend re-estimation

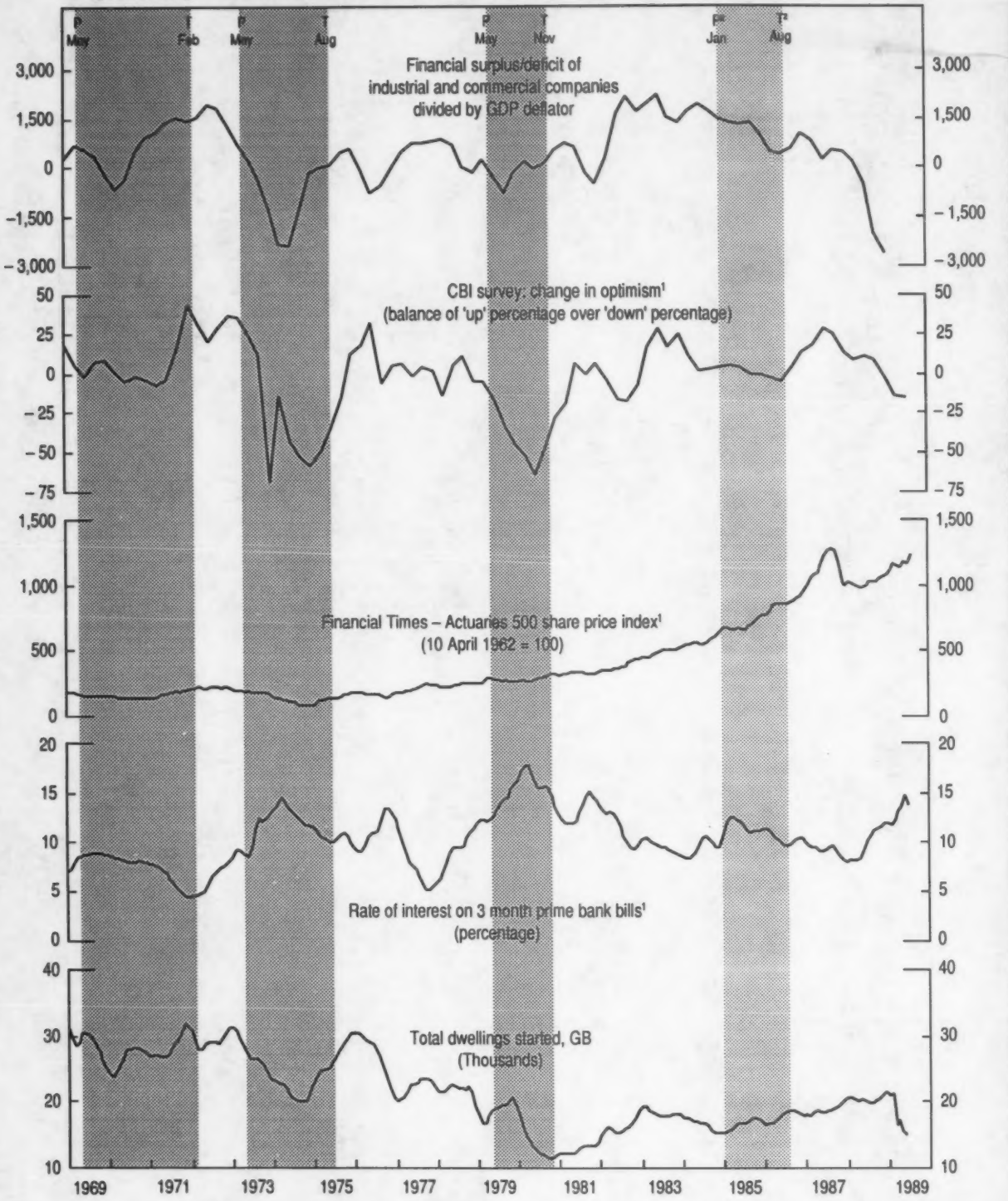
Based on incomplete data

*Peak and trough less marked than previous peaks and troughs

1. The longer leading index has been advanced by 11 months, the shorter leading index has been advanced by 4 months and the lagging index has been moved back by 9 months. This allows a comparison based on past experience, of whether the indices are in step.

Cyclical indicators by timing classification

Longer leading indicators. Smoothed seasonally adjusted series

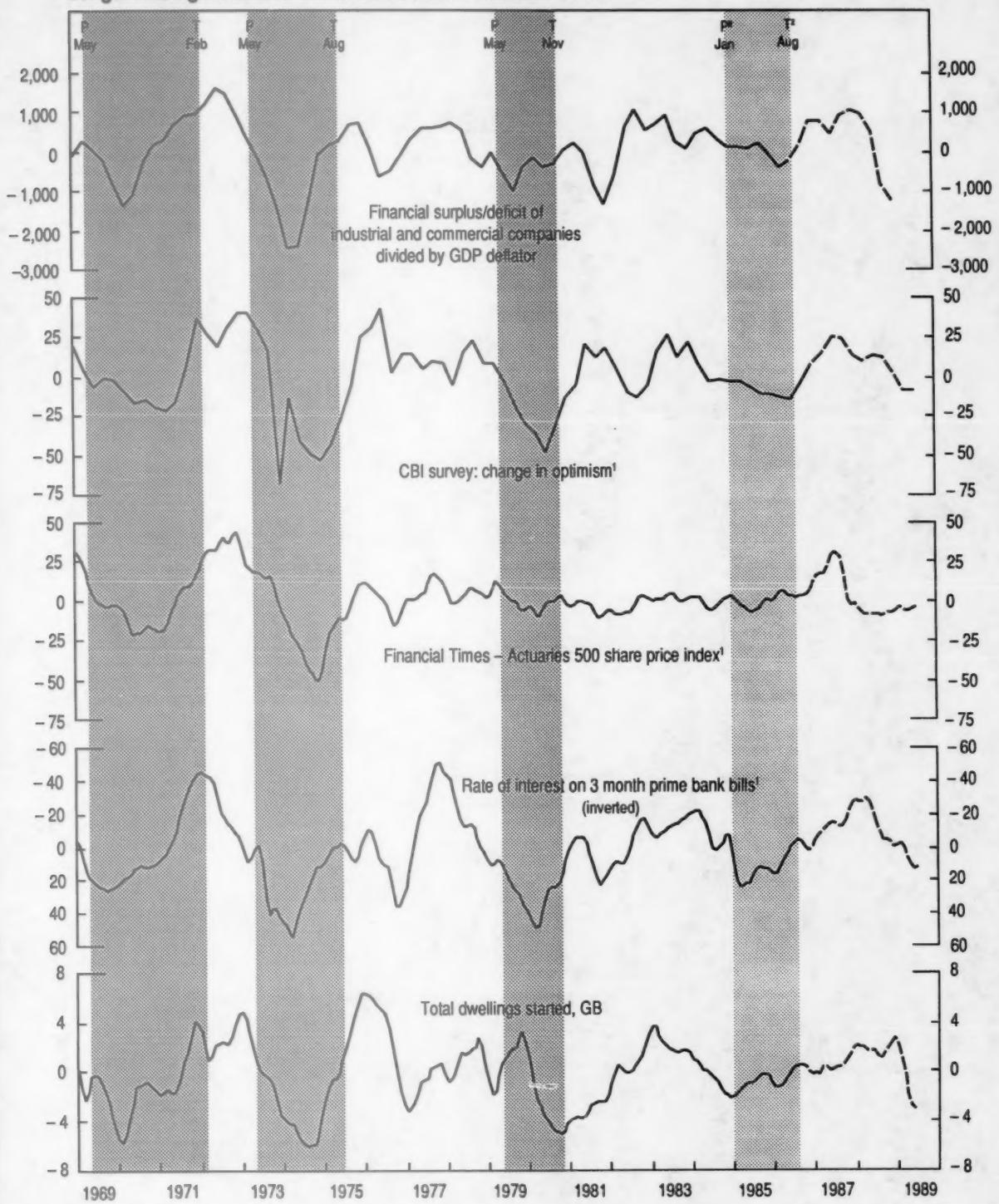


1.Seasonally adjusted by the CSO

2.Peak and trough less marked than previous peaks and troughs

Cyclical indicators by timing classification

Longer leading indicators. Smoothed trend-eliminated series



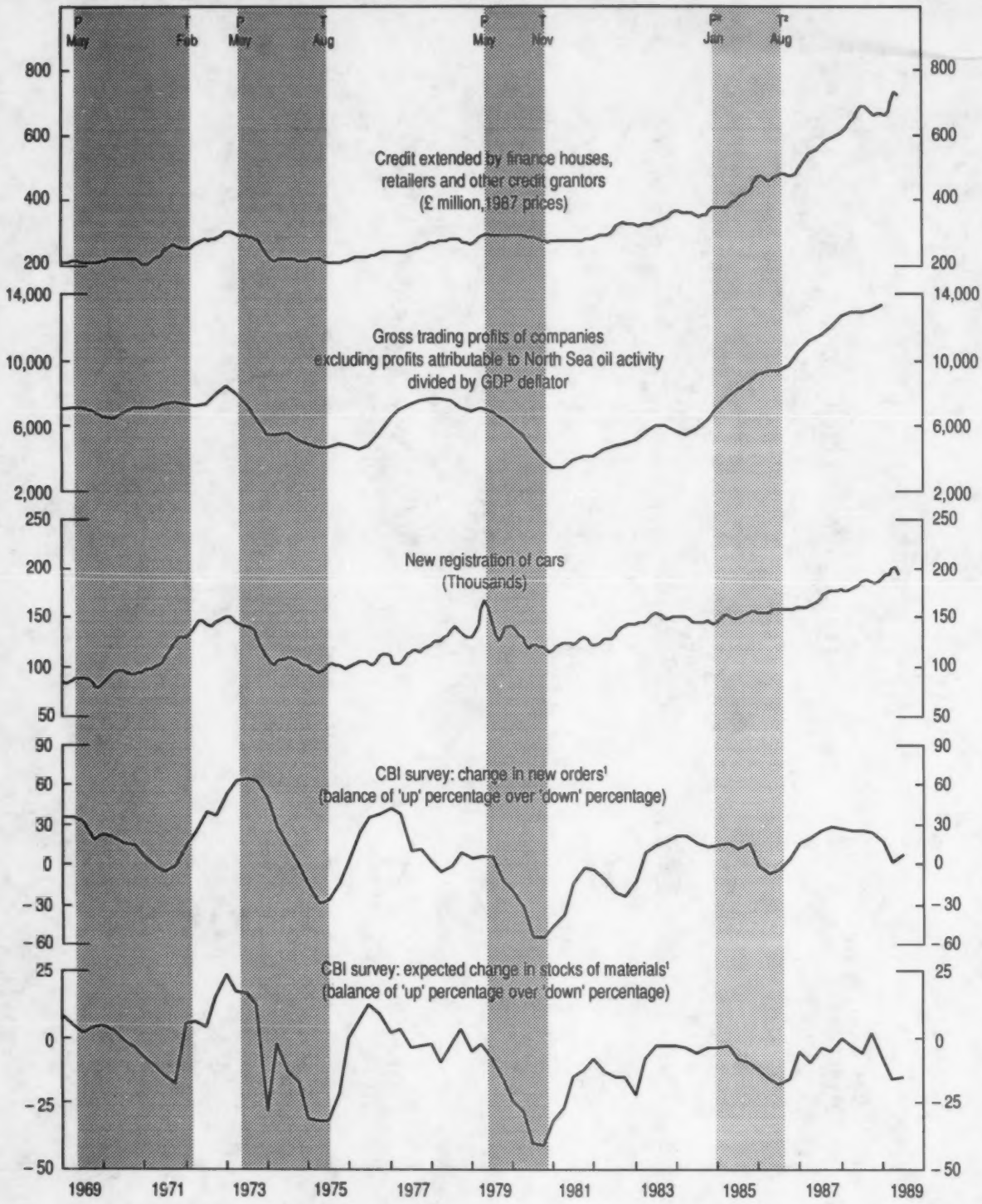
1.Seasonally adjusted by the CSO

2.Peak and trough less marked than previous peaks and troughs

——— Subject to revision due to trend re-estimation

Cyclical indicators by timing classification

Shorter leading indicators.Smoothed seasonally adjusted series

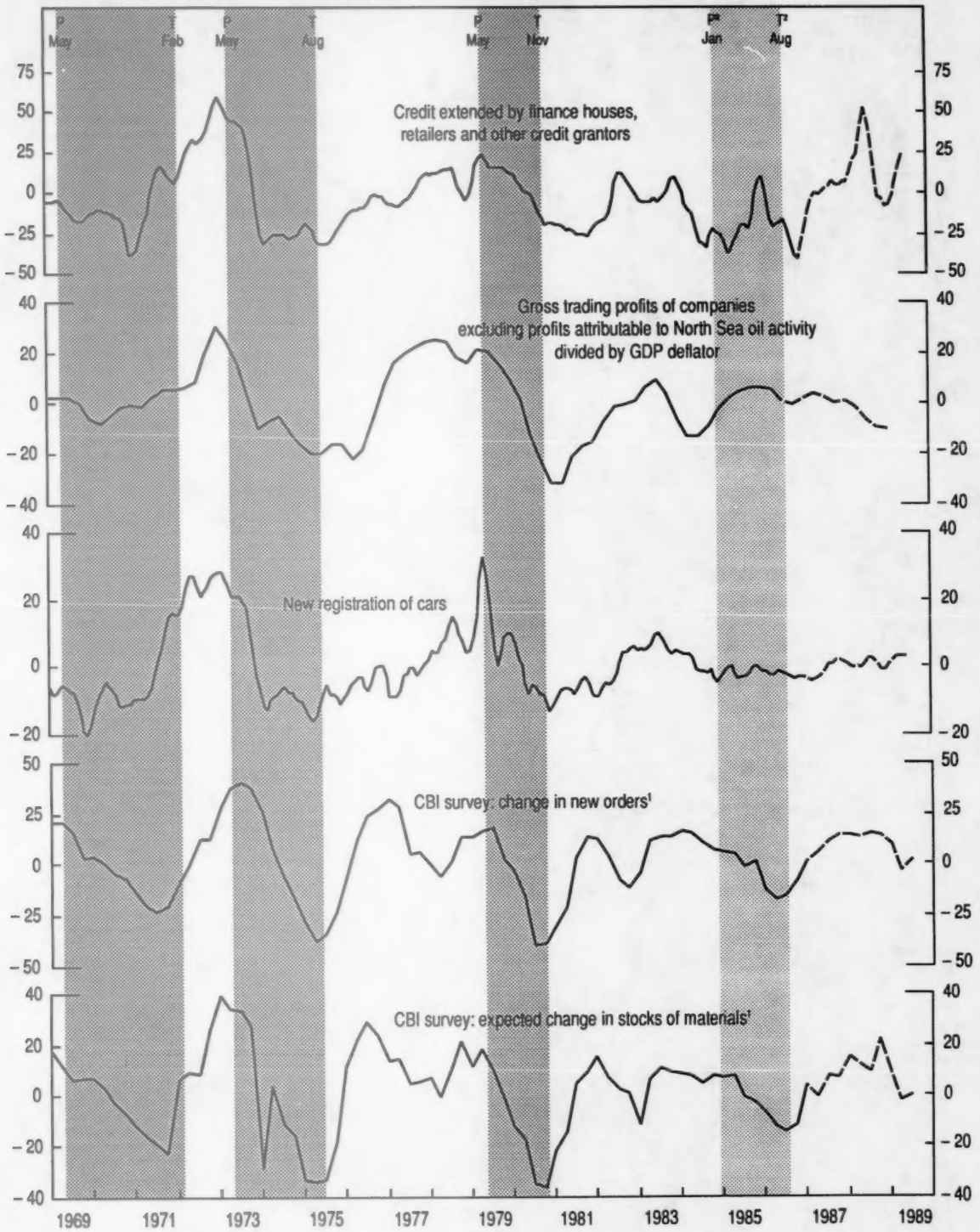


1.Seasonally adjusted by the CSO

2.Peak and trough less marked than previous peaks and troughs

Cyclical indicators by timing classification

Shorter leading indicators.Smoothed trend-eliminated series



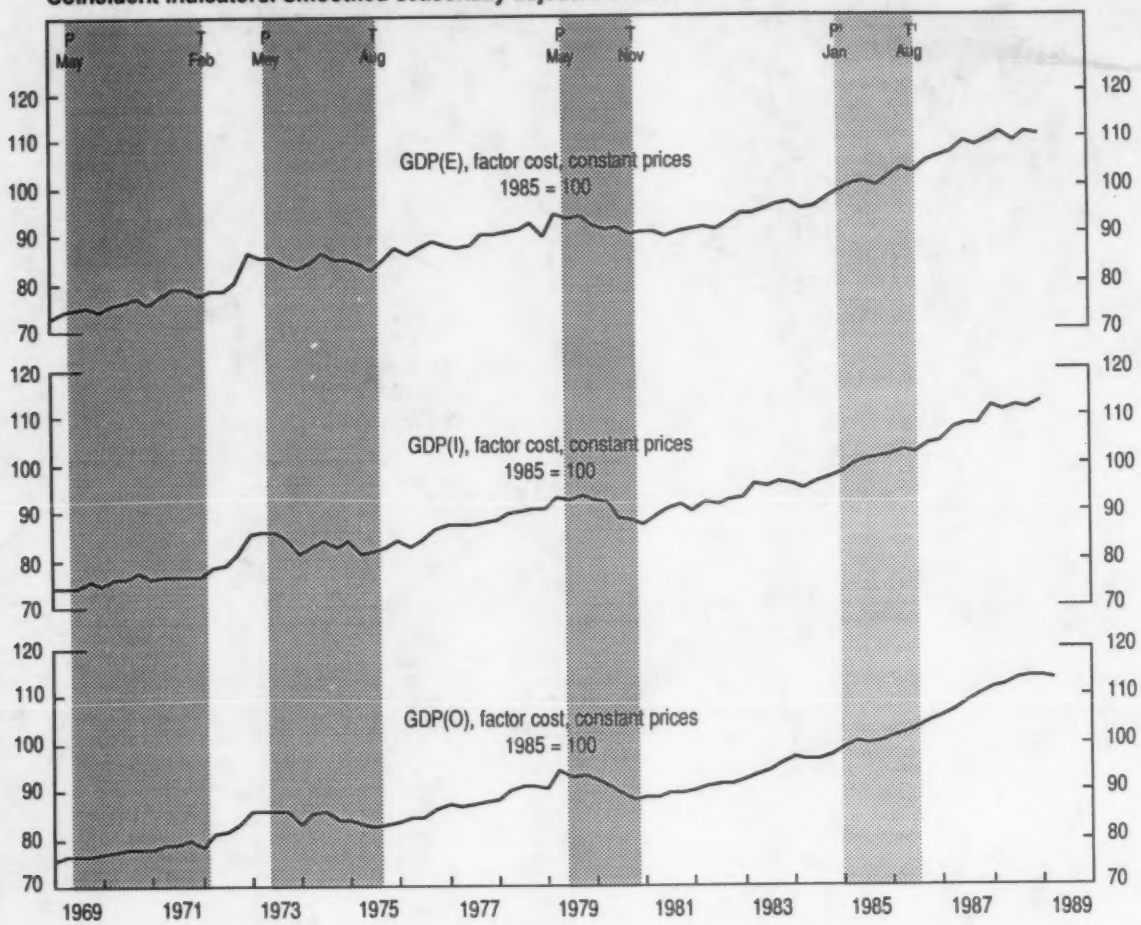
1.Seasonally adjusted by the CSO

2.Peak and trough less marked than previous peaks and troughs

—— Subject to revision due to trend re-estimation

Cyclical indicators by timing classification

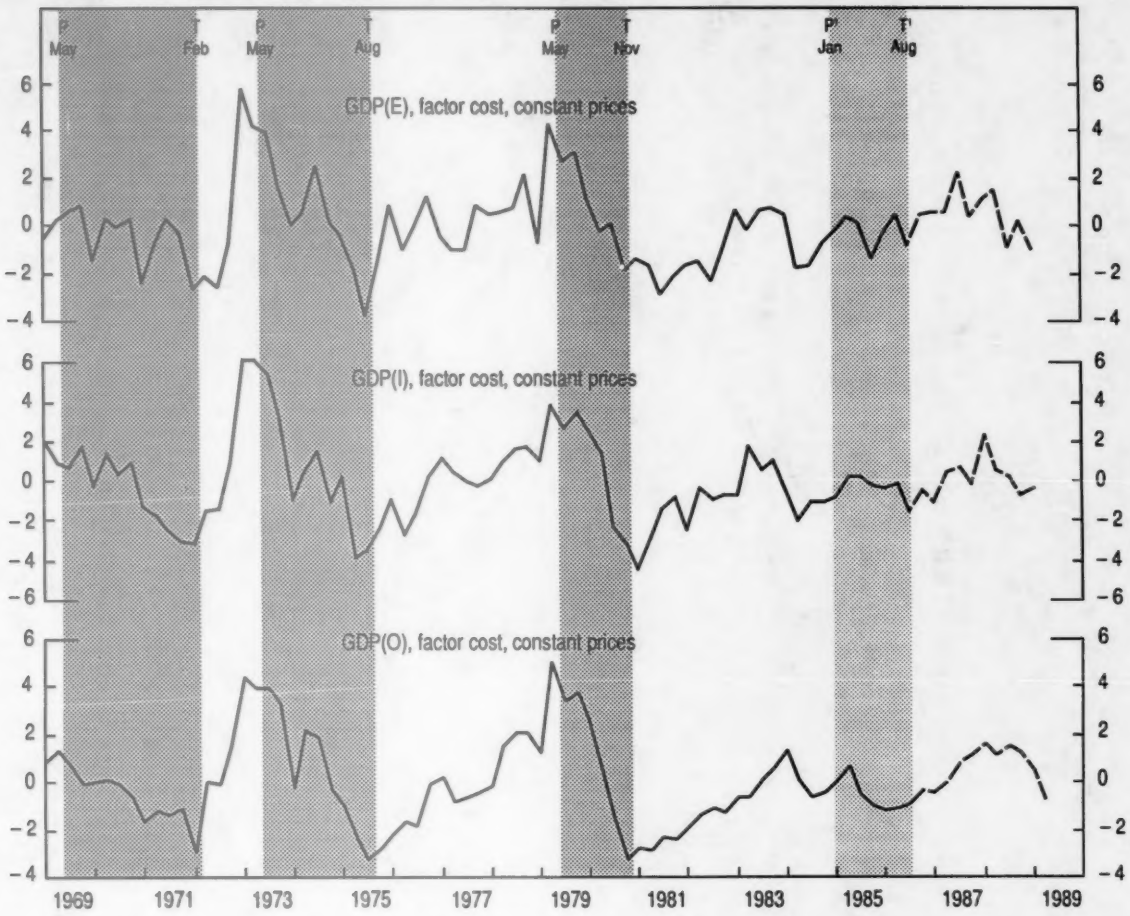
Coincident indicators. Smoothed seasonally adjusted series



1.Peak and trough less marked than previous peaks and troughs

Cyclical indicators by timing classification

Coincident indicators. Smoothed trend-eliminated series

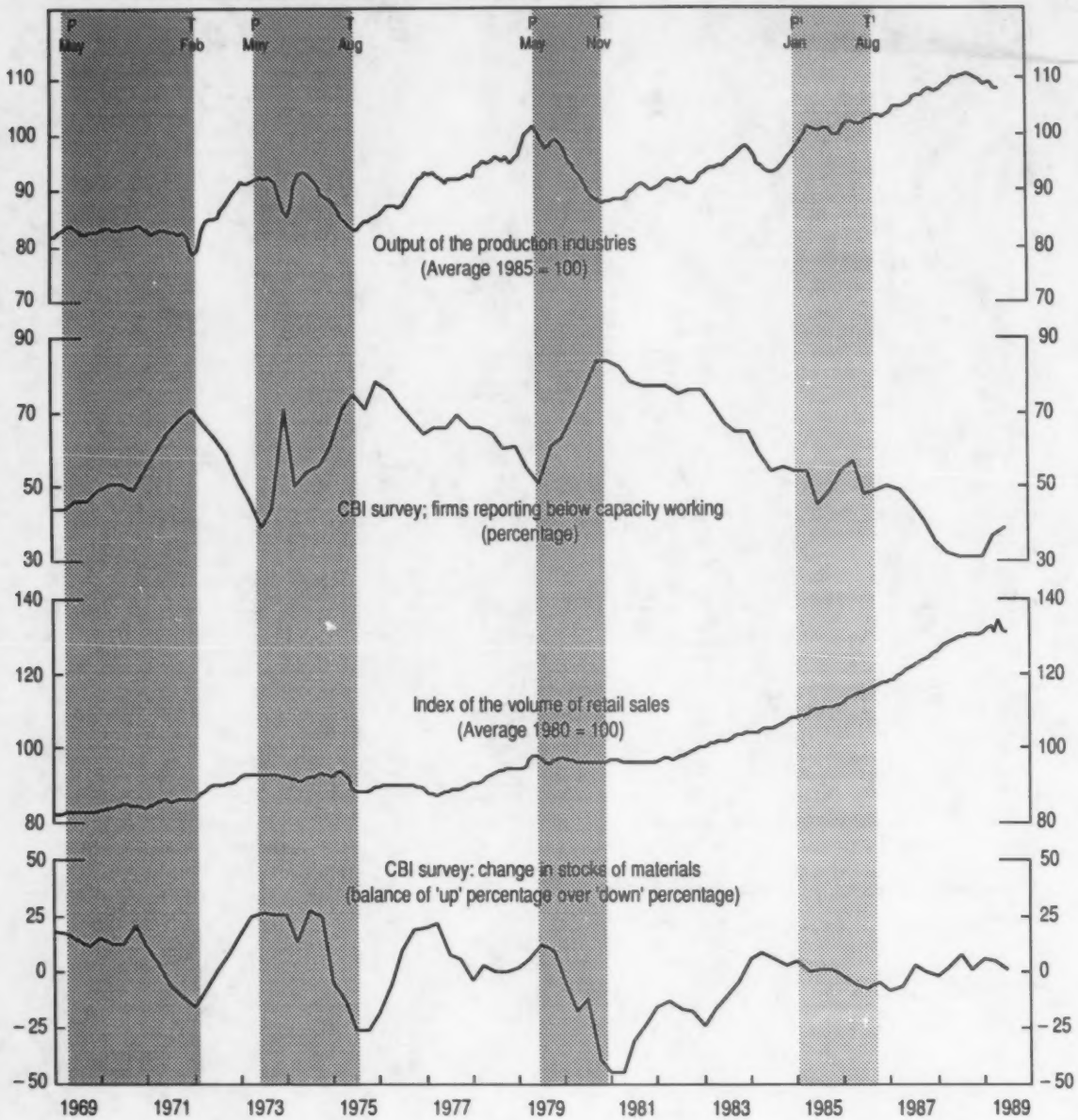


1.Peak and trough less marked than previous peaks and troughs

——— Subject to revision due to trend re-estimation

Cyclical indicators by timing classification

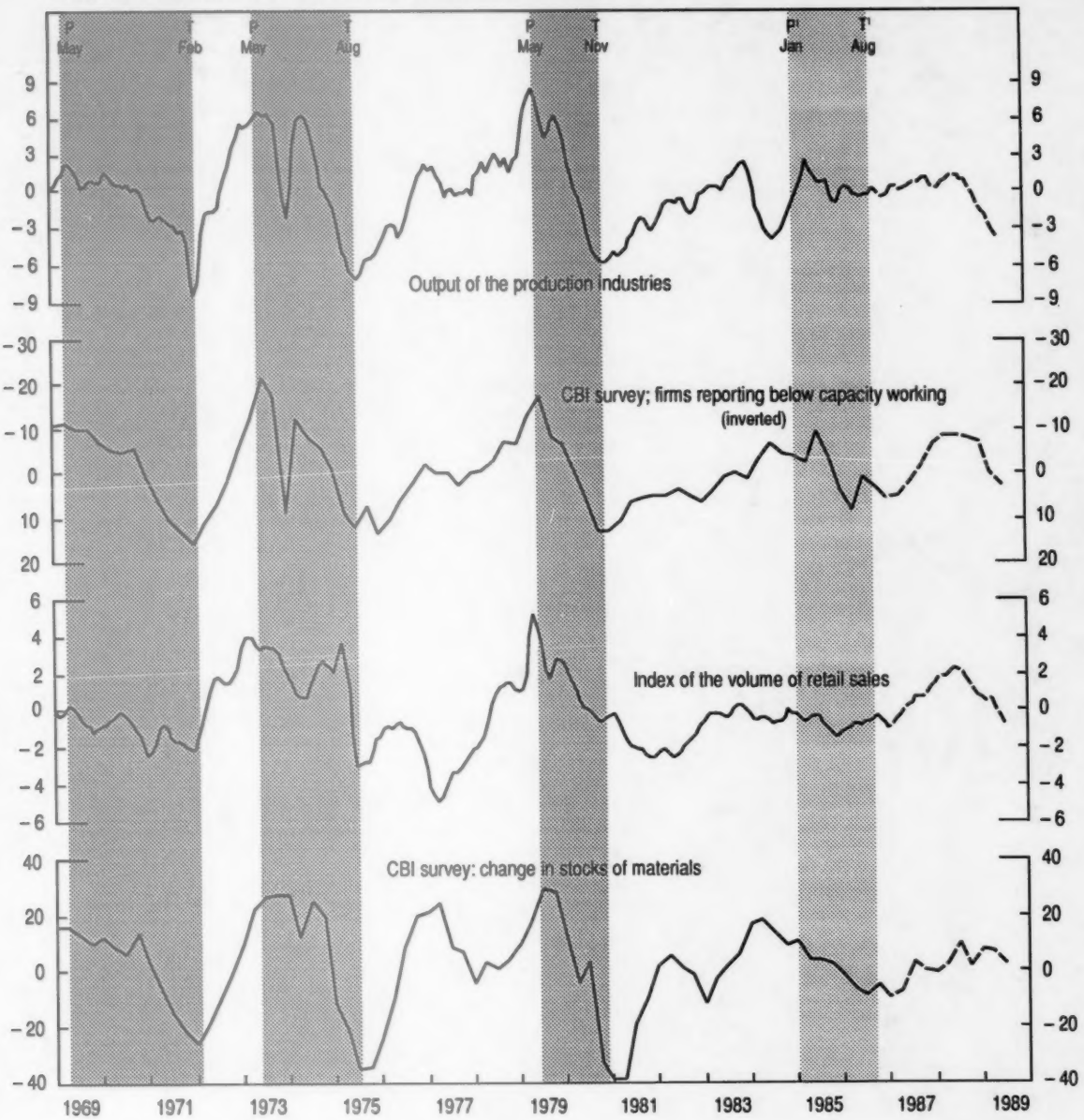
Coincident indicators. Smoothed seasonally adjusted series



1.Peak and trough less marked than previous peaks and troughs

Cyclical indicators by timing classification

Coincident indicators. Smoothed trend-eliminated series

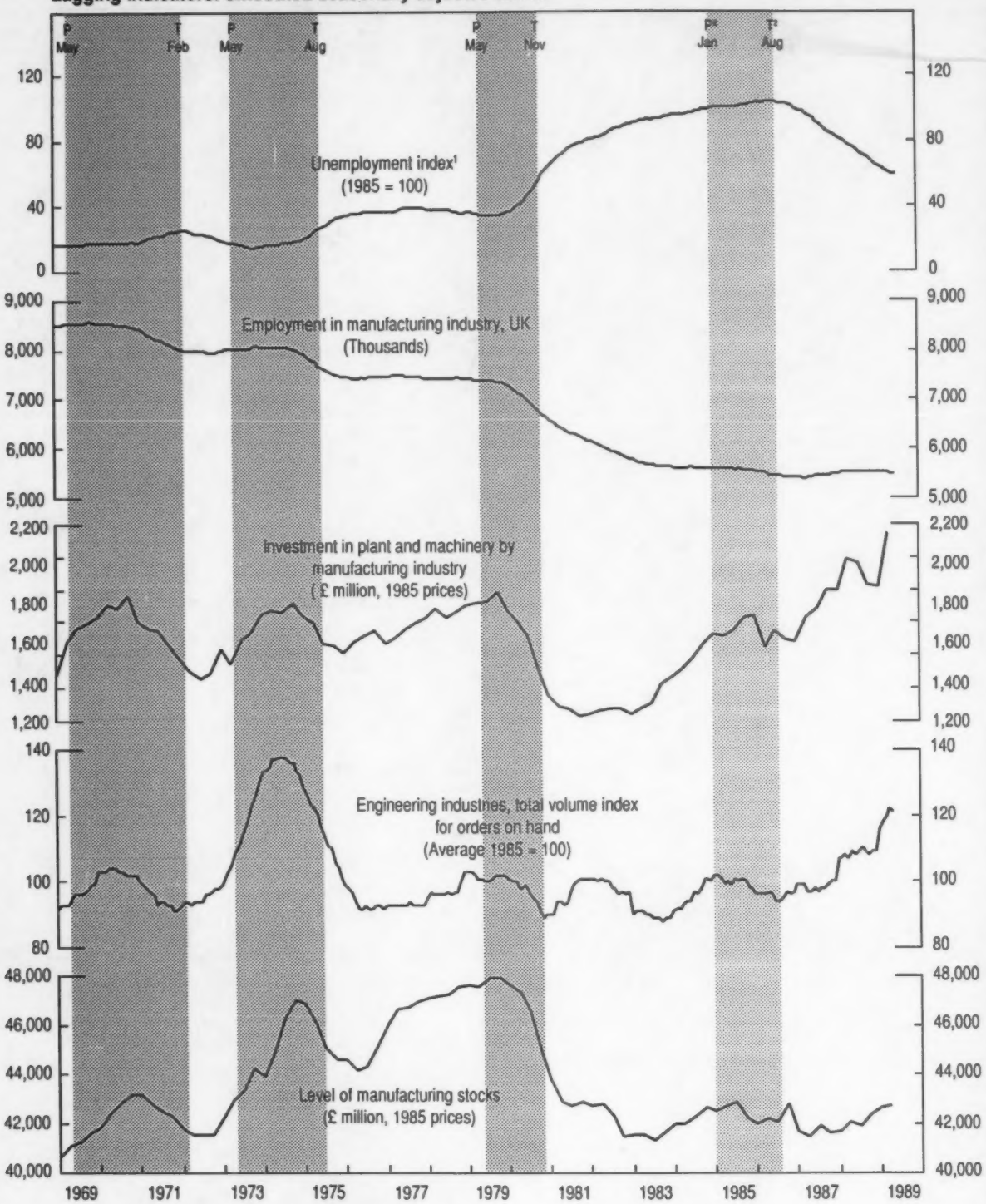


1.Peak and trough less marked than previous peaks and troughs

—— Subject to revision due to trend re-estimation

Cyclical indicators by timing classification

Lagging indicators. Smoothed seasonally adjusted series

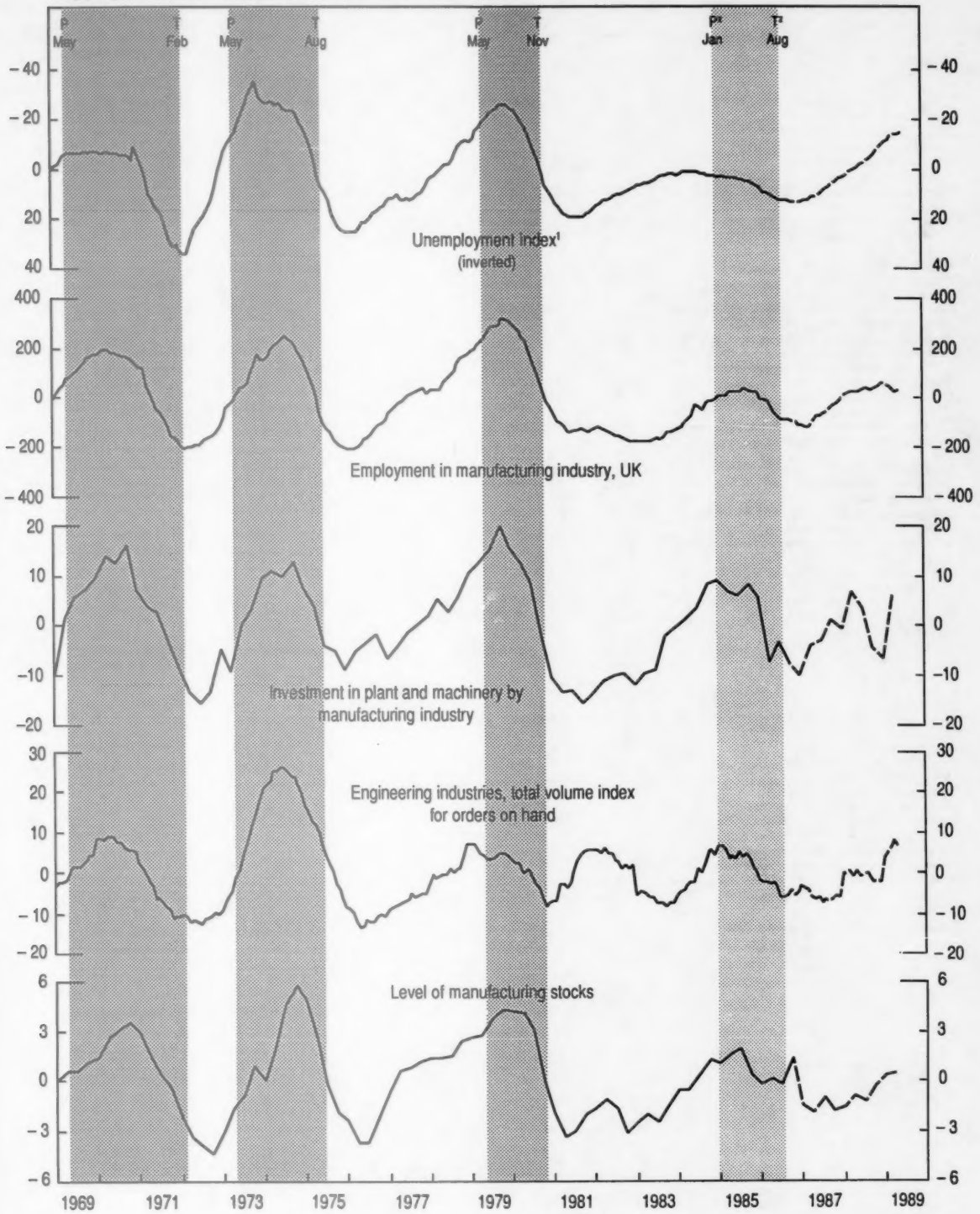


1.Adjusted for changes in the average of the count

2.Peak and trough less marked than previous peaks and troughs

Cyclical indicators by timing classification

Lagging indicators. Smoothed trend-eliminated series



1.Adjusted for changes in the average of the count

2.Peak and trough less marked than previous peaks and troughs

——— Subject to revision due to trend re-estimation

Table B - The indicators: their timing characteristics and data availability

		Latest data included	Timing relative to reference cycle dates[1] (-) leads (+) lags months		
			Median	Earliest	Latest
Indicators					
Longer leading					
Composite longer leading index	DKBR	July 1989	-11	-39	- 4
Component series:					
Financial surplus/deficit, industrial and commercial companies, divided by GDP deflator	DKDJ	Q1 1989	-15	-39	+13
CBI quarterly survey: change in optimism[2] (percentage balance)	DKDK	Q3 1989	- 8	-34	- 4
Financial Times - Actuaries 500 share index[2,3] April 1962=100	DKDI	July 1989	- 8	-20	+ 9
Rate of interest, 3 months prime bank bills[2]	DKDH	July 1989	-17	-28	- 5
Total dwellings started, Great Britain (Thous)	DKBW	June 1989	-12	-40	+ 2
Shorter leading					
Composite shorter leading index	DKBS	July 1989	- 4	-18	+ 2
Component series:					
Credit extended by finance houses, retailers and other credit grantors £m, 1987 prices	DKCA	June 1989	- 5	-19	+ 4
Gross trading profits of companies,excluding stock appreciation and mineral oil and natural gas extraction, divided by GDP deflator (£m)	DKDL	Q1 1989	-10	-27	+ 9
New car registrations (Thous)	DKBY	June 1989	- 4	-26	+ 7
CBI quarterly survey: change in new orders[2] (percentage balance)	DKDM	Q3 1989	- 6	-28	0
CBI quarterly survey: expected change in stocks of materials[2] (percentage balance)	DKDN	Q3 1989	- 5	-36	- 3
Coincident					
Composite coincident index	DKBP	July 1989	N/A	N/A	N/A
Component series:					
Gross domestic product (expenditure) Factor Cost, Constant prices, 1985=100	DJDE	Q1 1989	0	- 6	+12
Gross domestic product (income) Factor Cost Constant prices, 1985=100	DIAR	Q1 1989	0	-20	+ 6
Gross domestic product (output) Factor Cost Constant prices, 1985=100	DIAS	Q2 1989	- 1	-15	0
Output of the production industries (1985=100)	DVIM	June 1989	0	- 7	+ 1
CBI quarterly survey: below capacity ullisation (percentage)	DKCE	Q3 1989	+ 1	- 4	+ 8
Index of volume of retail sales (1985=100)	FAAM	July 1989	0	-15	+20
CBI quarterly survey: change in stocks of raw materials (percentage balance)	DKDO	Q3 1989	- 1	- 9	+ 5
Lagging					
Composite lagging index	DKBQ	June1989	+ 9	+ 1	+17
Component series:					
Adult Unemployment index (1985=100)[3]	DKDP	July 1989	+ 6	+ 1	+20
Employment in manufacturing industries United Kingdom (thous)	DKDQ	June 1989	+ 9	+ 1	+26
Investment in plant and machinery, manufacturing industry (£m, 1985 prices)	DKCK	Q2 1989	+ 9	+ 1	+18
Engineering industries, volume index for orders on hand (Average 1985=100)	DKCJ	May 1989	+10	- 5	+16
Level of stocks and work in progress, manufacturing industry (£m, 1985 prices)	DKCI	Q2 1989	+12	+ 4	+21

1 Assessed on performance up to last identified trough, August 1986.
2 Seasonally adjusted by CSO.
3 Adjusted for changes in coverage.

Source: Central Statistical Office

Measures of variability of selected economic series[1]

	Table	Period covered	Average percentage changes $\overline{CI}$	$\overline{I}$	$\overline{C}$	$\overline{I}/\overline{C}$	MCD or QCD	$\overline{I}/\overline{C}$ for MCD (or QCD) span
Quarterly series								
National income and components at 1985 prices								
GDP, factor cost								
Expenditure-based	2	1st quarter 1975 to 2nd quarter 1988	*1.2*	*0.8*	*0.7*	1.1	2	0.5
Income-based	2	1st quarter 1975 to 2nd quarter 1988	*1.2*	*0.7*	*0.9*	0.8	1	0.8
Output-based	2,17	1st quarter 1975 to 2nd quarter 1988	*1.0*	*0.4*	*0.8*	0.5	1	0.5
Average estimate	2	1st quarter 1975 to 2nd quarter 1988	*1.0*	*0.4*	*0.8*	0.6	1	0.6
Consumers' expenditure	3,4,5	1st quarter 1975 to 2nd quarter 1988	*1.2*	*0.7*	*0.9*	0.8	1	0.8
Fixed capital formation								
Total	3,9	1st quarter 1975 to 2nd quarter 1988	*2.3*	*1.4*	*1.6*	0.9	1	0.9
Manufacturing industry	10	1st quarter 1975 to 2nd quarter 1988	*3.5*	*1.8*	*2.7*	0.7	1	0.7
Stockbuilding[2]								
Total	3,13	1st quarter 1975 to 2nd quarter 1988	*530.5*	*375.4*	*274.2*	1.4	2	0.6
Manufacturing	13	1st quarter 1975 to 2nd quarter 1988	*310.9*	*200.7*	*170.4*	1.2	2	0.6
Exports: goods and services	3	1st quarter 1975 to 2nd quarter 1988	*2.5*	*1.8*	*1.4*	1.3	2	0.5
Imports: goods and services	3	1st quarter 1975 to 2nd quarter 1988	*3.3*	*1.9*	*2.2*	0.9	1	0.9
Real personal disposable income	4	1st quarter 1975 to 2nd quarter 1988	*1.4*	*1.0*	*1.0*	1.0	2	0.4
Other national income series								
Gross trading profits and trading surplus of corporate sector	34	1st quarter 1975 to 2nd quarter 1988	*6.1*	*3.0*	*4.5*	0.7	1	0.7
Other quarterly series								
Construction output[3]	16	1st quarter 1975 to 2nd quarter 1988	*2.2*	*1.5*	*1.4*	1.1	2	0.4
Public sector borrowing requirement[4]	32	1st quarter 1975 to 2nd quarter1988	*963.2*	*708.3*	*482.4*	1.5	2	0.7
Personal saving ratio[5]	4	1st quarter 1975 to 2nd quarter 1988	*1.1*	*0.9*	*0.5*	1.6	2	0.7
Monthly series								
Retail sales								
Food retailers	6	January 1971 to February 1989	*0.9*	*0.8*	*0.3*	3.0	3	1.0
Mixed retail businesses	6	January 1971 to February 1989	*2.0*	*1.9*	*0.5*	3.8	4	1.0
Clothing and footwear retailers	6	January 1971 to February 1989	*2.4*	*2.3*	*0.6*	3.9	4	0.9
Household goods retailers	6	January 1971 to February 1989	*2.4*	*2.3*	*0.8*	2.9	4	0.9
Other non-food retailers	6	January 1971 to February 1989	*1.4*	*1.4*	*0.4*	3.5	4	0.9
Cars: new registrations	6	January 1975 to December 1988	*8.0*	*7.9*	*0.8*	10.1	6	1.8
Housing: public authorities[6]								
Starts	12	January 1958 to December 1987	*12.6*	*12.4*	*1.9*	6.5	6	1.2
Completions	12	January 1958 to December 1987	*8.8*	*8.7*	*1.3*	6.6	6	1.1
Housing: private[6]								
Starts	12	January 1958 to December 1987	*9.8*	*9.6*	*1.8*	5.3	6	1.0
Completions	12	January 1958 to December 1987	*6.2*	*6.2*	*1.0*	6.5	6	1.1
Index of industrial production:								
Production industries	1,16,17	January 1973 to October 1986	*1.2*	*1.0*	*0.5*	2.3	3	1.0
Manufacturing industries	16,17	January 1973 to October 1986	*1.3*	*1.2*	*0.4*	2.7	4	0.8
Passenger car production:								
Home market	19	January 1976 to December 1988	*6.9*	*6.6*	*1.4*	5.1	5	0.8
Export	19	January 1976 to December 1988	*12.9*	*12.5*	*2.7*	4.6	6	0.9
Commercial vehicle production:								
Home market	19	January 1976 to December 1988	*9.0*	*8.3*	*2.6*	3.2	4	0.6
Export	19	January 1976 to December 1988	*9.3*	*8.9*	*2.4*	3.7	4	0.6
Unemployed males - consistent series, 18 and over[7]	1,21	January 1971 to March 1989	*16.4*	*4.5*	*15.4*	0.3	1	0.3
Unemployed females - consistent series, 18 and over[7]	1,21	January 1971 to March 1989	*6.7*	*1.7*	*6.4*	0.3	1	0.3
Vacancies unfilled at job centres[7]	1,21	April 1978 to September 1988	*4.2*	*2.1*	*3.3*	0.6	1	0.6
Average earnings: whole economy	23	January 1980 to January 1988	*0.9*	*0.5*	*0.7*	0.7	1	0.7
Exports: value, f.o.b.[8]	27	January 1980 to December 1988	*3.2*	*3.0*	*0.9*	3.3	3	0.5
Imports: value, f.o.b.[8]	27	January 1980 to December 1988	*3.9*	*3.5*	*1.4*	2.5	2	0.9
Money stock - £M3[9]	1,29	January 1980 to March 1985	*1.2*	*0.8*	*1.1*	0.7	1	0.7

1 For a complete description of these measures see article 'Measuring variability in economic time series' in *Economic Trends*, No 226, August 1972.
The following are brief definitions of the measures.
$\overline{CI}$ is the average month to month (quarter to quarter for quarterly series) percentage change without regard to sign, in the seasonally adjusted series.
$\overline{C}$ is the same for the trend component, a smooth flexible moving average of the seasonally adjusted series.
$\overline{I}$ is the same for the irregular component, obtained by dividing the trend component into the seasonally adjusted series, except for those series which are seasonally adjusted using an additive model, see footnotes 2,4,6 and 8.
$\overline{I}/\overline{C}$ is therefore a measure of the size of the relative irregularity of the seasonally adjusted series.
The average changes $\overline{I}$ and $\overline{C}$ can also be computed successively over spans of increasing numbers of months (quarters). MCD (QCD), months (quarters) for cyclical dominance, is the shortest span of months (quarters) for which $\overline{I}/\overline{C}$ is less than 1 and therefore represents the minimum period over which changes in the trend are, on average, greater than the irregular movement.

2 The figures in the table were obtained from an additive analysis of stock changes so $\overline{CI}$, $\overline{I}$ and $\overline{C}$ are not percentage changes but differences in units of £ million. At present, seasonal adjustment of the published stocks series is performed multiplicatively on the level of stocks.

3 Series relates to Great Britain.

4 The seasonal adjustment is additive, so the figures for $\overline{CI}$, $\overline{I}$ and $\overline{C}$ are differences in units of £ million.

5 The figures in the tables were obtained from an additive analysis of the personal saving ratio so $\overline{CI}$, $\overline{I}$ and $\overline{C}$ are differences in percentage points.

6 Series relate to Great Britain, though variability measures calculated from England and Wales component.

7 Series relate to Great Britain and may be found in Tables 2.2 and 3.2 of *Employment Gazette*.
The seasonal adjustment is additive, so the figures for $\overline{CI}$, $\overline{I}$ and $\overline{C}$ are not percentage changes but differences in units of thousands.

8 The figures have been updated as described in an article in *Economic Trends*, No 320, June 1980.

9 Although £M3 **flows** are seasonally adjusted **additively**, the figures above for $\overline{CI}$, $\overline{I}$ and $\overline{C}$ for **levels** are presented as percentages of the level of the trend in the preceding month.

Source: Central Statistical Office

A technical note on the treatment of the Community Charge and Non Domestic Rates in the National Accounts

Introduction

Under the terms of the Abolition of Domestic Rates Etc. Act (Scotland) 1987 and the Local Government Finance Act 1988, domestic rates are to be abolished throughout Great Britain (but not Northern Ireland) and replaced by the "community charge". The community charge is an amount, levied by each local authority on the adults living in its area. Almost every one over 18, including foreigners living in Great Britain, will be liable to pay the community charge. The main exceptions will be those under 19 but still at school and for whom child benefit is payable, convicted prisoners and resident hospital patients. Also people on low incomes will get relief from part of the charge, on a sliding scale, whilst students will be required to pay one fifth of the full rate. People will, in general, pay the community charge to the district or borough where they live.

This change took effect in Scotland on 1 April 1989 and will come into force in England and Wales on 1 April 1990. At the same time non domestic rates are being reformed with the introduction of a national non domestic rate in England and Wales which the Government also proposes to extend to Scotland following transitional arrangements already introduced there.

This technical note discusses how these various changes will be handled in the national accounts. It starts by examining the current classification of government receipts, concluding that the community charge should be treated as a special category which reduces the disposable income of the personal sector. The article goes on to examine the impact of the abolition of rates and the introduction of the community charge on GDP estimates, noting the reduction in GDP at current market prices (often known as "Money GDP") whilst GDP at current factor cost is not affected. Finally the article explains the treatment of non domestic rates as a central government tax on expenditure under the new arrangements.

Current classification of government receipts

General government consists of central government and local authorities and each of these can be subdivided into trading and non trading subsectors. Government receipts from non trading activities, other than rent, dividends and interest, are subdivided in the national accounts into two broad categories.

First receipts from sales of goods and services are netted off in the estimation of government consumption of goods and services. Examples of charges netted off in this way are entrance charges to swimming pools and leisure centres, charges for welfare services such as "meals on wheels", prescription charges, charges for pay and amenity beds in hospitals etc. These charges are in all cases made in direct exchange for the provision of specific goods and services which purchasers have discretion whether to purchase or not. These receipts are seen as reducing the cost of government expenditure, rather than general purpose finance. Such charges, when incurred by households, are included in consumers' expenditure and are taken to be met out of peoples' discretionary income, known as their "personal disposable income".

The second broad category of government receipts consists of taxes and other similar revenue which are subdivided in the UK accounts into the following:

- **Taxes on income:** Income tax, Corporation tax, Petroleum Revenue Tax, etc.
- **Taxes on expenditure:** Value Added Tax, excise duties on alcoholic drink, tobacco, petroleum products and gambling; vehicle excise duties, car tax, stamp duties, local rates, customs duties etc.
- **Social security contributions:** National Insurance contributions etc.
- **Other current transfers:** Driving licences, public service vehicle licences, heavy goods vehicle licences, Passport fees, gun licences, court fines and penalties.
- **Taxes on capital:** Death duties, Capital Transfer Tax, Capital Gains Tax, Inheritance Tax.

The classification of taxes and social security contributions in the national accounts is discussed in sections 9.25 to 9.30 of *"United Kingdom National Accounts: Sources and Methods: Third Edition"*, CSO, 1985. This includes classification of rates which is covered in section 9.27.

Classification of Domestic Rates

Domestic rates may be seen, like non domestic rates, as a contribution towards the cost of local services. However they are not considered to be a charge to be netted off in the estimation of local authorities' final expenditure because they are seen as a means of financing the expenditure rather than as payments made by individual householders for services they consume.

As indicated earlier, rates, including domestic rates, are treated as a tax on expenditure. Taxes on expenditure are defined in the UK system as taxes which enter into the costs of production and distribution. Taxes on final buyers associated with the purchase, possession or use of particular goods and services are also treated as taxes on expenditure.

Domestic rates are levied on the occupier of each domestic hereditament (usually the head of household) and his liability is calculated as the product of the rateable value of the domestic hereditament occupied and the "rate poundage" levied by the local authority in which the hereditament is situated. The rateable value of each domestic hereditament is determined as the rent which it may be expected to fetch (with the landlord meeting repair and insurance costs and the tenant meeting rate bills) less a standardised amount to represent the cost of repairs and insurance. Rateable values are determined, in England and Wales, by the Valuation Office of the Inland Revenue and have been based on levels of rents as at 1 April 1973. In Scotland domestic rateable values were determined by local assessors and lately reflected rent levels as at 1 April 1985. In Northern Ireland domestic rateable values are set by the Valuation and Lands Office of the Department of Finance and Personnel, based on rent levels on 1 April 1976.

It will be seen therefore that domestic rates are levied in each local authority area, in a direct relationship with the estimated rental value, as at 1 April 1973, of domestic properties occupied and they can therefore be regarded as a tax on the cost of consuming housing services, including housing services in both the rented and owner occupied sectors. (In the case of the latter the cost of these housing services is represented in the national accounts as consumers' expenditure on imputed rent in line with the conventions the United Nations System of National Accounts (SNA) and the European System of Integrated Economic Accounts (ESA)). Domestic rates are therefore appropriately classified as a tax on expenditure. They are not, incidentally, considered to be a tax on rental income because rates are levied on the basis of occupancy not of ownership.

Classification of the Community Charge

The community charge, like domestic rates, may be seen as a contribution towards the cost of local services. Moreover an individual has a choice where he lives and therefore, within certain limits, how much he pays and what local services are available to him. Within each area however there is no direct link between the charge levied on an individual and the services he receives. The community charge is not considered therefore to be the receipt from the sale of goods and services which should be netted off in estimation of local authorities final expenditure. Within the national accounts the community charge is more akin to a tax.

However, the community charge cannot be treated as a tax on expenditure since it does not enter into the cost of production and distribution of any good or service, nor is it a tax on final buyers associated with the purchase, posession or use of a particular good. In particular the size of the community charge levied on an individual is not connected with his consumption of housing or other services.

The community charge is also clearly not a tax on capital. Equally it is not a social security contribution.

The community charge is also not a tax on income. Its impact is related to income for those on low incomes as a result of the rebate scheme already mentioned. For other adults charge levels are independent of income.

The community charge is also not considered to come within the category of miscellaneous current transfers which covers such items as driving licence fees, passport fees, gun licence fees etc. Such fees relate to the cost of regulating certain activities and are not devices to raise revenue for general purposes. Moreover they are requited on an individual basis since each individual has a choice whether or not to participate in the activity which has to be licensed and he has to pay only if he wishes to participate.

Thus the community charge does not fall satisfactorily within the current system of classification of taxes and similar payments in the UK accounts and the Central Statistical Office has decided, therefore, that it should appear as a separate category in its own right. It has been further decided that the community charge should be treated, in the personal sector account, as a deduction from income, along with other compulsory payments such as taxes on income and social security contributions, in calculating personal disposable income.

The UK classification of government receipts broadly follows the current United Nations' SNA and the European Community's ESA recommendations though there are some minor differences which are not discussed here. The SNA is currently being reviewed and, when this is completed, ESA will also be reviewed by the Statistical Office of the European Communities. Following these reviews, UK national accounts practices, including the current system of classification of government receipts, may be reconsidered if they depart from the new international recommendations.

This article has discussed the community charge in terms of the "personal community charge" which is the type of charge which most people will pay. However there is also a "standard community charge" and a "collective community charge". The "standard community charge" will be paid by persons owning domestic property which is not the main residence of an individual. The "collective community charge" will be payable in certain circumstances where a building is mainly occupied by individuals residing there for short periods. For convenience it has been decided that, for the time being, these community charges will be treated in the national accounts in the same way as the "personal community charge". At a later stage, the treatment of the "standard" and "collective" community charges will be reviewed in the light of the incidence of these charges.

The impact of the introduction of the Community Charge on National Accounts estimates

As already discussed, domestic rates are classified as a tax on housing services and part of consumers' expenditure, whereas the community charge will be treated as a deduction from income and therefore not part of consumers' expenditure. The abolition of rates will reduce consumers' expenditure by the amount of rates that would otherwise have been paid and thereby also the measurement of GDP expressed at current market prices. The "adjustment to factor cost" (taxes on expenditure less subsidies) will be reduced by the same amount. The measurement of GDP at current factor cost will therefore be unchanged.

Expressed at constant 1985 market prices GDP will not be affected by the abolition of domestic rates because the constant price estimates are produced incorporating the indirect taxes and subsidy structure in place in the base year. Constant 1985 price estimates of consumers' expenditure will therefore continue to include rates at the levels applicable in the base year. This conclusion may at first sight seem odd since domestic rates will not exist. However, it should be remembered that domestic rates are a tax on housing services and consumers' expenditure on housing services includes rate bills as a tax on expenditure. Once their rate bills have ceased, consumers' expenditure on housing (rent including the imputed rent of owner occupiers, rates, water charges, repairs and maintenance etc) will fall sharply. However the volume of housing services consumed will remain the same: total consumers' expenditure and GDP at constant prices will therefore also remain unchanged.

The introduction of the community charge (as distinct from the abolition of rates) has no impact on consumers' expenditure since it is being treated as a deduction from income and not part of consumers' expenditure.

The combined impact of the abolition of rates and the introduction of the community charge will thus be a step change downwards in consumers' expenditure and GDP when expressed at current market prices, whilst corresponding estimates at constant 1985 market prices are unchanged. The implied deflators for consumers' expenditure and GDP at market prices will therefore be reduced. GDP expressed at factor cost will not be affected either at current prices or constant 1985 prices and therefore the GDP factor cost deflator will also be unaffected.

The size of these effects can be illustrated by looking at national accounts estimates for 1988 and considering what the impact would have been if the community charge (net of rebates) had been in operation in 1988 raising exactly the same revenue as domestic rates (net of rebates) actually raised. It will be seen from Table A that consumers' expenditure at current market prices would have been 2.8 per cent lower last year and GDP at current market prices some 1.8 per cent lower. Although not shown in the table the consumers' expenditure deflator and GDP market price deflator would also have been reduced by the same percentage amounts respectively because these aggregates are unaffected when calculated in constant price terms.

TABLE A

Impact on National Accounts aggregates for 1988 if domestic rates (excluding water and sewerage charges) had been replaced in Great Britain by Community Charge with same revenue raised

	Actual Values (£m)	With rates replaced by community charge (£m)	Percentage change
Consumers' expenditure at current market prices	293600	285400	-2.8
of which domestic rates (net of rebates)	8300	100	-98.8
GDP(E) at current market prices	461900	453700	-1.8
Adjustment to factor cost (taxes less subsidies)	69200	61000	-11.2
GDP(E) at current factor cost	392700	392700	0.0

Note: The small amount of domestic rates continuing after the introduction of the community charge in Great Britain relates to Northern Ireland where rates continue to be levied.

The personal sector account will also be affected. Personal disposable income expressed at current prices, will be reduced by the amount of community charge payments and consumers' expenditure, expressed at current prices, will be reduced by the disappearance of rates bills. If community charges raised the same revenue as the rate bills they replaced there would be no impact on personal sector saving since the income and expenditure sides of the current account of the personal sector would be reduced by equal amounts. Nevertheless the saving ratio, which is the ratio of saving over disposable income, would rise fractionally since the denominator in this ratio would decline whilst the numerator would be unchanged. The size of these effects is shown in Table B which shows that personal disposable income would have been 2.6 per cent lower last year if the community charge had been in place and raised the same net of rebates as the rates actually raised net of rebates.

Whilst personal disposable income, expressed at current prices, will be reduced by the switch from rates to the community charge real personal disposable income (RPDI), which is personal disposable income at current prices, deflated by the consumers' expenditure deflator, will remain broadly the same, if the community charge raises the same revenue as the rates it replaces. This is because the consumers' expenditure deflator falls by a broadly similar proportion to the fall in personal disposable income.

TABLE B

Impact on Personal Sector estimates for 1988 if domestic rates (excluding water and sewerage charges) had been replaced by Community Charge with the same revenue raised

	Actual values (£m)	With rates replaced by community charge (£m)	Percentage change
Personal disposable income	307100	298900	-2.6
Consumers' expenditure at current market prices	293600	285400	-2.8
Balance: saving	13500	13500	0.0
Saving ratio	4.4%	4.5%	
Consumers' expenditure deflator	113.8	110.6	-2.8
Real personal disposable income at constant 1985 prices	269800	270100	+0.1

As already explained the community charge replaced domestic rates in Scotland with effect from 1 April 1989 whilst the change will take effect in England and Wales from 1 April 1990. Thus the impact on national accounts aggregates will be staged with about 8 per cent occurring between the first and second quarters of 1989 and 92 per cent between the first and second quarters of 1990.

Domestic rates will continue to be levied in Northern Ireland and these will continue to be classified as a tax on expenditure.

Treatment of the Community Charge in the Retail Prices Index

It has been decided that the community charge should be included in the coverage of the Retail Price Index (RPI) following the recommendation of the RPI Advisory Committee (*Treatment of the Community Charge in the Retail Prices Index Cm644* March 1989 HMSO). The Committee's recommendation centred on the need for continuity with the treatment of local authority rates and public expectations. One consequence of this decision is that it adds to the differences between the measure of price changes provided by the RPI and the implied deflator of consumers' expenditure.

Changes to non domestic rates

Whilst domestic rates in Great Britain are being abolished, non domestic rates are being retained but reformed. Hitherto non domestic rate bills, like domestic rate bills, have been determined by local authorities who have set the "rate poundage"

in their areas to be applied to rateable values to determine individual occupiers' rate bills. (Non domestic rateable values, like domestic rateable values, have been established by the Valuation Office of the Inland Revenue in England and Wales and local assessors in Scotland.) Changes to this system have taken effect from 1 April 1989 in Scotland and will take place in England and Wales with effect from 1 April 1990. The nature of the changes in England and Wales on the one hand and Scotland on the other are slightly different. For convenience the changes in England and Wales are discussed first.

Next year standard "non domestic rating multipliers" also known as "uniform business rates" will be determined for England by the Secretary of State for the Environment and for Wales by the Secretary of State for Wales. These "non domestic rating multipliers" will be applied to rateable values to determine occupiers' rate liabilities. Under the terms of the Local Government Finance Act 1988 the multipliers for each of these countries will thereafter be indexed to the Retail Prices Index, though the Chancellor of the Exchequer will be able to override the indexation and set lower multipliers if he wishes. Local authorities will continue to be responsible for the collection of non domestic rate revenue, but the revenues will, broadly speaking, be pooled centrally (in a national pool) and redistributed to each charging authority as a flat rate payment per adult paying the community charge.

Non domestic rates, like domestic rates, are currently treated in the national accounts as a local authority tax on expenditure. Non domestic rates will continue to be a tax on expenditure since they will enter into the costs of businesses in the production and distribution of goods and services. However the Central Statistical Office has decided that it will not continue to be appropriate to show them as local authority tax receipts once the national non domestic rates come into being and that from 1 April 1990 non domestic rates should be treated as a central government tax receipt.

This is because central government will determine the "multipliers" or "uniform business rates" for each country and, although local authorities will be collecting non domestic rates, the revenue they receive will be pooled centrally in a national pool before it is redistributed by central government as a flat amount per adult paying the community charge.

Changes to the non domestic rating system in Scotland are slightly different from those for England and Wales. In Scotland local authorities will be continuing to determine their own non domestic rate poundages subject to a maximum laid down by the Secretary of State for Scotland in respect of each authority. Under the terms of the Abolition of Domestic Rates Etc (Scotland) Act 1987 the maximum poundage for each authority will be raised each year in proportion to movements in the Retail Prices Index.

In Scotland non domestic rates receipts will be kept by local authorities and will not go into a national pool as in England and Wales. As hitherto the distribution of Rate Support Grant will however take account of authorities' incomes from non domestic rates.

It may be argued that these arrangements, in particular the fact that local authorities will continue to determine their own domestic rate, mean that, for the present, non domestic rates should continue to be treated as a local authority tax in Scotland. However local authorities' freedom is substantially restricted by the maxima prescribed by the Secretary of State for Scotland and the Government's announced intention to achieve a common rate poundage for Scotland at the same level as in England and Wales over a period of years. In these circumstances the Central Statistical Office has decided to treat Scottish non domestic rates as a central government tax with effect from 1 April 1990 in line with the changes at the same date for English and Welsh non domestic rates.

Non domestic rates in Northern Ireland will continue to be treated as a local authority tax since no changes to the rating system are currently being implemented in the province.

Research and development in the United Kingdom in 1987

Branch D4, Central Statistical Office

Total UK expenditure on research and development (R&D) at current prices went from £8.9 billion in 1986 to £9.5 billion in 1987 - an increase of about 6%. After allowing for higher costs,the rise was 1% at 1985 prices.

The figures are given in Table 1. They show that from 1975 to 1987 the proportion of total expenditure on R&D funded by government fell noticeably while that funded by industry and other sources increased appreciably. In making this long term comparison it should be remembered that the United Kingdom Atomic Energy Authority (UKAEA) was reclassified from government to industry in 1986 when it became a public corporation. Over the same period total R&D expenditure as a percentage of GDP rose slightly. Employment in R&D in central government fell sharply between 1975 and 1987; in industry, after increasing up to 1981, it returned more to the levels of the mid-1970s.

There are some gaps in the time series in Table 1 because surveys of industrial R&D were not carried out in all years. There are now two annual surveys, one addressed to government departments, the other to industry.

Table 2 sets out the figures of R&D funded by central government based on returns from government departments. It differs from Table 1 in that it covers extramural R&D. Table 1 is confined to intramural R&D - that within the respondent's own research facilities. Table 2 also covers R&D carried out overseas, excluded from Table 1.

From 1976 to 1988 expenditure on R&D net of receipts at constant 1985 prices reached a peak in 1985. Since then it has tended to decline with a fall of about 1% between 1987 and 1988. At constant prices, gross intramural expenditure peaked in 1982 and has declined since then. The sharp fall between 1985 and 1986 reflects reclassification of the UKAEA.

Table 1

Expenditure and employment on research and development in the United Kingdom, 1975 to 1987 [1]

	1975	1978	1981	1983	1985	1986	1987
(a) Expenditure at current prices:							
£million							
Performed by:							
Government	576	768	1356	1505	1623	1378	1426
Industry[2]	1340	2324	3792	4163	5122r	5950r	6337
Higher Education[3]	310	467	816	950	1061	1240	1339
Others	70	118	170	194	272	336	350
Totals	2296	3677	6134	6812	8078r	8904r	9452
Totals as percentages of gdp at market prices	2.2	2.2	2.4	2.3	2.3	2.4	2.3
Funded by: percentages							
Government	55	49	49	50	43	39	39
Industry[2]	38	42	41	42	46	49	50
Others (including overseas sources)	7	9	10	8	11	12	11
	100	100	100	100	100	100	100
(b) Expenditure at 1985 prices:							
£million							
Performed by:							
Government	1603	1467	1697	1665	1623	1330	1313
Industry[2]	3730	4439	4745	4605	5122	5745	5835
Others	1058	1117	1234	1265	1333	1522	1555
	6391	7023	7676	7535	8078	8597	8703
(c) Employment on R&D,end-year:							
thousands							
Central Government	77	72	64	59	56	45	44
Industry[2]	181	190	195	186	173	188	184

1 Including research in social sciences and humanities, but excluding work performed abroad.
2 In April 1986, UKAEA became a public corporation and ceased to be part of Department of Energy.
3 Change in coverage between 1978 and 1981 tends to inflate the apparent increase between these years.

r= revision

Table 2

Research and development financed by central government[1]

	Financial years beginning April												
	1976	1977	1978	1979	1980	1981[2]	1982	1983	1984	1985	1986	1987	1988[3]
(a) Expenditure (£m) at current prices:													
Gross expenditure-													
Intramural	639	700	765	924	1107	1348	1476	1501	1525	1623	1372	1418	1533
Extramural	1099	1234	1458	1856	2310	2506	2460	2785	3010	3300	3401	3374	3515
Total gross expenditure	1738	1934	2222	2780	3417	3854	3936	4285	4535	4923	4773	4792	5048
Net expenditure-													
Defence	755	871	1028	1306	1628	1745	1765	1984	2176	2341	2264	2238	2362
Research Councils	196	207	239	279	341	421	451	481	507	528	558	615	656
Other civil	696	736	831	1016	1215	1398	1474	1522	1580	1707	1763	1763	1843
Total net expenditure	1647	1814	2097	2601	3184	3564	3690	3987	4263	4576	4585	4616	4861
(b) Expenditure (£m) at constant 1985 prices:													
Total net expenditure	3959	3851	4005	4306	4450	4460	4288	4410	4494	4576	4427	4250	4194
Intramural (gross)	1536	1486	1461	1530	1547	1687	1715	1660	1608	1623	1325	1306	1323
(c) Net expenditure as a percentage of GDP at market prices:													
Defence	0.60	0.60	0.61	0.66	0.71	0.69	0.64	0.66	0.68	0.67	0.60	0.55	0.54
Civil	0.71	0.65	0.64	0.66	0.68	0.71	0.70	0.67	0.66	0.63	0.62	0.58	0.57
Total	1.30	1.25	1.25	1.32	1.38	1.40	1.34	1.33	1.34	1.30	1.22	1.13	1.11

1 As returned by government, including work performed overseas.
2 There is a break in the series after 1980 arising from the inclusion of central staff support and superannuation.
3 Estimates

Source: Central Statistical Office

In relationship to GDP, net expenditure by government for civil purposes exceeded that for defence purposes in the last three years.

The data in Table 3 are based on information from the Organisation for Economic Cooperation and Development (OECD) using their definitions. International comparisons should be made with caution. But the table does show the major variations in government spending by various countries on defence R&D in relation to GDP. The UK and France spend similar percentages - well down on the United States, but well above other countries.

Table 4 gives a detailed breakdown of the total government gross expenditure on R&D of £4792 million (1987/88) shown in Table 2, with figures on spending by various departments and research councils. To arrive at total gross expenditure on R&D for central government, spending by a department or research council performed elsewhere in central government is omitted. If not, it would be counted twice : once under extramural expenditure and then under intramural expenditure in a different department. Total expenditure on extramural R&D (£3374 million) was much greater than the intramural figure: this disparity was increased by UKAEA reclassification.

Table 5 provides a time series running forward to 1991/92 estimates for net expenditure on R&D by individual departments and research councils. These figures are dominated by the massive spending of the Ministry of Defence. R&D expenditure in the social sciences and humanities is relatively small - between 5 and 6 per cent.

Table 3

Total expenditure on R&D and Government funded R&D in 1987 for the United Kingdom and six other countries, as percentage of gross domestic product

		Government funded R&D		
	Total expenditure on R&D	In total	Defence objectives	Civil objectives
	percentages of gdp			
United Kingdom	2.3	1.1	0.5	0.6
France	2.3	1.4	0.5	0.9
Federal Republic of Germany	2.8	1.1	0.1	1.0
Italy	1.3	0.8	0.1	0.7
Japan	2.9	0.6	..	0.6
Sweden	2.8	1.2	0.3	0.9
United States	2.7	1.3	0.9	0.4

Source:OECD

Table 6 provides an analysis of gross central government current expenditure on intramural R&D for science and technology into basic research, applied research and development. Basic research is experimental or theoretical work undertaken primarily to acquire new knowledge of the underlying foundation of phenomena and observable facts without any particular application or use in view and is concentrated in the research councils.This table is also affected by the UKAEA change. The Ministry of Defence has much the larger part of development.

Table 4

Gross central government expenditure on R&D—financial year 1987/88

£ million

	Intramural expenditure					Extramural expenditure					
	Salaries and wages	Other current costs	Total current costs	Capital costs	Total intra mural expenditure	Higher education institutions	Private industry and Public Corporations	Other extra mural expenditure	Overseas	Total extra mural expenditure	Total gross expenditure
R&D in science and technology											
Civil departments											
Agriculture,Fisheries and Food	23.7	31.1	54.9	2.2	57.1	2.8	1.0	11.1	0.0	14.9	72.0
Education and Science	..	..	..	..	..	39.9	..	7.6	0.1	47.6	47.6
Energy	1.6	1.0	2.6	..	2.6	5.7	159.7	1.4	0.2	167.0	169.6
Environment	14.8	12.7	27.5	5.9	33.3	3.4	15.7	4.0	0.1	23.2	56.6
Overseas Development	3.3	1.7	5.0	0.6	5.5	7.2	0.4	1.6	7.8	17.0	22.5
Health and Social Security	..	..	..	..	..	6.2	0.7	36.3	0.1	43.2	43.2
Health and Safety	1.6	1.0	2.6	0.5	3.1	1.1	0.4	0.4	0.0	1.9	5.0
Home Office	3.3	3.8	7.1	0.6	7.7	0.5	2.5	0.1	0.5	3.6	11.2
Trade And Industry	18.6	16.2	34.8	4.9	39.7	3.7	207.3	17.1	57.4	285.5	325.2
Transport	10.5	6.0	16.5	1.6	18.1	2.4	2.6	2.0	..	7.0	25.1
Northern Ireland Departments	6.4	3.3	9.6	1.1	10.7	0.3	4.1	1.8	..	6.3	17.0
Scottish Departments	3.6	2.7	6.3	0.2	6.5	4.5	0.1	35.2	..	39.8	46.3
Welsh Departments	..	..	..	..	..	0.1	..	0.8	..	0.9	0.9
Other Departments	14.7	5.5	20.2	0.5	20.7	1.1	0.2	7.2	0.4	8.8	29.5
Research Councils											
Agriculture and Food	62.0	20.5	82.5	9.4	91.9	8.6	..	..	0.0	8.6	100.4
Medical	58.1	26.9	85.0	12.5	97.4	35.5	..	12.5	3.5	51.6	149.0
Natural Environment	42.0	29.3	71.2	9.4	80.6	8.9	0.2	12.3	1.9	23.3	103.9
Science And Engineering	44.2	42.1	86.3	21.8	108.2	120.5	0.2	40.4	87.8	248.9	357.0
Total Research Councils	206.2	118.8	325.0	53.1	378.1	173.5	0.4	65.2	93.2	332.4	710.4
University Grants Committee	..	..	..	..	..	620.0	..	..	..	620.0	620.0
Total civil R&D	308.2	203.9	512.1	71.0	583.1	872.5	395.0	191.9	159.7	1619.0	2202.0
Defence R&D											
Ministry of Defence	426.1	241.0	667.1	153.2	820.3	16.4	1435.6	8.9	65.4	1526.3	2346.7
Total R&D in science and technology	734.3	444.9	1179.2	224.2	1403.4	888.9	1830.6	200.8	225.1	3145.3	4548.7
R&D in social sciences and humanities											
Civil departments											
Agriculture,Fisheries and Food	..	..	..	..	..	0.3	0.0	0.0	..	0.3	0.3
Education and Science	0.2	0.1	0.3	0.0	0.3	4.4	0.6	19.9	0.1	25.1	25.4
Environment	0.7	0.1	0.8	..	0.8	0.3	0.9	0.4	..	1.7	2.5
Overseas Development	0.1	0.0	0.1	..	0.1	1.0	..	..	2.3	3.3	3.4
Health and Social Security	..	..	..	..	..	4.7	..	1.8	..	6.5	6.5
Home Office	0.9	0.4	1.3	0.1	1.4	0.7	0.3	0.2	0.1	1.2	2.6
Trade and Industry	..	..	..	..	..	0.0	0.1	0.0	..	0.1	0.1
Transport	1.0	0.6	1.6	0.2	1.8	0.2	0.2	0.2	..	0.6	2.4
Northern Ireland Departments	0.4	0.2	0.6	0.0	0.6	0.3	..	0.3	0.0	0.6	1.2
Scottish Departments	0.5	0.1	0.6	..	0.6	2.8	0.2	1.8	..	4.7	5.4
Welsh Departments	0.2	..	0.2	..	0.2	0.3	..	0.5	..	0.8	1.0
Employment	0.5	0.1	0.7	0.0	0.7	0.4	..	1.1	0.0	1.5	2.2
Training Agency	1.5	0.3	1.9	..	1.9	13.5	4.7	3.5	..	21.7	23.6
Other Departments	0.9	0.5	1.5	..	1.5	0.8	0.0	0.2	0.0	1.0	2.4
Economic and Social Research Council	1.6	1.1	2.7	0.1	2.8	13.9	..	5.3	0.1	19.2	22.0
University Grants Committee	..	..	..	..	..	140.0	..	..	..	140.0	140.0
Total civil R&D	8.6	3.6	12.3	0.3	12.6	183.6	7.1	35.2	2.5	228.4	241.0
Defence R&D											
Ministry of Defence	1.5	0.3	1.8	..	1.8	..	..	..	..	..	1.8
Total R&D in social sciences and humanities	10.2	3.9	14.1	0.3	14.4	183.6	7.1	35.2	2.5	228.4	242.8
Total R&D in all fields	744.5	448.8	1193.3	224.5	1417.8	1072.5	1837.7	235.9	227.6	3373.7	4791.5

1 Total salary costs including employers national insurance contributions and superannuation payments.
2 The figures for social science R&D are less reliablethan those for R&D in general because of the difficulties of distinguishing between social science research and other related activities such as information services and general purpose data collection.

Source: Central Statistical Office

Table 5

Net[1] central government expenditure on R&D by department

£ million

	Outturn		Estimate			
	1986/87[2]	1987/88	1988/89	1989/90	1990/91	1991/92
R&D in science and technology						
Civil departments						
Agriculture,Fisheries and Food	118.0	113.5	119.0	122.2	116.7	112.4
Education and Science	44.5	47.5	49.9	51.3	54.2	54.7
Energy	192.4	176.4	195.8	174.6	144.9	140.2
Environment	56.4	59.5	60.8	67.3	69.2	70.5
Overseas Development	23.3	29.1	33.9	38.1	40.2	41.1
Health and Social Security	40.4	40.7	48.3	53.7	56.4	59.7
Health and Safety	5.4	5.1	5.3	5.8	7.4	7.8
Home Office	11.0	11.5	10.3	12.3	12.4	12.5
Trade And Industry	362.8	324.2	315.7	383.8	341.9	243.0
Transport	22.4	24.1	22.3	23.8	23.9	25.8
Northern Ireland Departments	16.1	15.6	18.1	21.1	21.7	22.3
Scottish Departments	48.3	46.3	48.9	48.6	48.8	48.5
Welsh Departments	1.5	0.9	1.0	1.4	1.0	0.9
Other Departments	25.5	28.6	33.5	37.6	38.8	40.0
Research Councils						
Agriculture and Food	46.3	49.4	58.5	67.6	68.1	69.9
Medical	127.6	139.1	149.3	176.1	181.2	184.3
Natural Environment	68.0	70.8	86.2	118.8	103.4	100.5
Science And Engineering	295.9	334.5	341.2	373.6	382.3	375.9
Total Research Councils	537.7	593.9	635.3	736.0	735.0	730.6
University Grants Committee	580.0	620.0	625.0	635.0	655.0	665.0
Total civil R&D	2085.8	2136.7	2223.0	2412.7	2367.4	2275.3
Defence R&D						
Ministry of Defence	2262.6	2235.7	2360.1	2431.0	2539.3	2587.9
Total R&D in science and technology	4348.4	4372.4	4583.1	4843.7	4906.7	4863.2
R&D in social sciences and humanities						
Civil departments						
Agriculture,Fisheries and Food	0.3	0.3	0.3	0.4	0.5	0.4
Education and Science	24.4	25.3	32.3	34.1	33.1	33.9
Environment	2.6	2.6	3.0	3.9	3.9	4.5
Overseas Development	3.6	3.4	1.1	1.3	1.3	1.4
Health and Social Security	8.9	6.6	6.5	8.6	9.0	9.5
Home Office	2.3	2.7	3.0	3.5	3.6	3.7
Trade and Industry	0.1	0.2	0.1	0.2	0.2	0.3
Transport	2.2	2.4	4.7	4.0	4.1	4.4
Northern Ireland Departments	0.9	1.2	1.4	1.4	1.4	1.5
Scottish Departments	5.1	5.4	5.8	5.7	5.8	6.0
Welsh Departments	2.0	1.0	1.1	1.0	1.2	1.2
Employment	1.5	2.2	2.8	3.0	3.1	3.2
Training Agency	18.4	23.9	45.5	52.6	46.6	46.6
Other Departments	2.9	2.6	2.5	2.5	2.6	2.6
Economic and Social Research Council	20.0	21.6	21.2	26.3	27.6	27.1
University Grants Committee	140.0	140.0	145.0	145.0	145.0	145.0
Total civil R&D	235.3	241.4	276.1	293.4	289.1	291.1
Defence R&D						
Ministry of Defence	1.6	1.8	1.7	1.8	1.9	1.9
Total R&D in social sciences and humanities	236.9	243.2	277.8	295.2	291.0	293.1
Unallocated					15.7	33.6
Total R&D in all fields	4585.3	4615.7	4860.9	5138.9	5213.3	5189.8

Note: The Science Budget has unallocated provisions of £15.7 million and £33.6 million in 1990/91 and 1991/92 respectively. These sums have been retained for future distribution to the Research Councils on the advice of the advisory Board for the Research Councils.

1 Net expenditure is defined in the technical annex

2 Revised

Source: Central Statistical Office

Table 6

Gross central government expenditure on intramural research and development[1]

£ million

Current (ie. non-capital) expenditure	1985/86[2]				1986/87				1987/88			
	Basic research	Applied research	Development	Total	Basic research	Applied research	Development	Total	Basic research	Applied research	Development	Total
Civil departments												
Agriculture, Fisheries and Food	..	18.0	35.0	53.0	..	17.9	35.9	53.9	..	17.6	37.3	54.9
Education & Science	..	..	..	..	..	..	..	..	..	..	..	..
Energy	0.3	0.7	1.1	2.2	0.2	0.8	0.9	1.9	0.2	1.3	1.1	2.6
UKAEA[3]	..	317.3	30.9	348.2	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Environment	..	13.7	1.7	15.4	..	22.1	1.6	23.7	..	25.6	1.9	27.5
Overseas Development	..	4.7	0.0	4.7	..	6.0	..	6.0	0.1	4.7	0.1	5.0
Health & Social Security	0.3	1.2	0.0	1.5	..	..	..	..	..	..	..	..
Health & Safety Commission	..	2.1	0.7	2.8	..	2.5	0.4	2.9	..	2.2	0.4	2.6
Home Office	..	5.5	0.9	6.4	..	5.7	1.1	6.8	..	5.4	1.7	7.1
Trade & Industry	..	23.2	8.8	32.0	..	23.2	8.6	31.9	0.0	25.3	9.5	34.8
Transport	..	12.5	2.6	15.1	..	12.7	2.6	15.4	..	13.7	2.8	16.5
Northern Ireland Departments	0.4	4.9	2.2	7.5	0.8	4.7	3.5	9.0	2.2	4.1	3.3	9.6
Scottish Departments	1.8	7.3	0.7	9.7	0.1	6.2	0.5	6.9	1.0	5.8	0.4	6.3
Welsh Office	..	..	..	..	..	..	..	..	..	..	..	..
Employment	..	..	..	..	..	..	..	..	..	..	..	..
Training Agency	..	..	..	..	..	..	..	..	..	..	..	..
Other Departments	10.6	2.9	4.3	17.9	10.9	5.0	2.1	17.9	12.3	5.6	2.3	20.2
Research Councils												
Agriculture & Food	27.2	20.3	..	47.6	56.7	26.3	..	82.9	50.5	32.0	..	82.5
Medical	23.5	49.2	..	72.6	..	77.5	..	77.5	..	85.0	..	85.0
Natural Environment	50.8	15.6	..	66.5	53.9	16.6	..	70.5	48.9	22.3	..	71.2
Science & Engineering	41.9	35.7	..	77.7	42.4	37.7	..	80.1	46.0	40.3	..	86.3
Total Research Councils	143.5	120.8	..	264.3	153.0	158.0	..	311.0	145.4	179.6	..	325.0
University Grants Committee	..	..	..	..	..	..	..	..	..	..	..	..
Total civil	156.9	534.8	89.0	780.7	165.0	265.0	57.2	487.2	160.3	291.1	60.7	512.1
Defence	..	237.1	367.4	604.6	..	264.7	384.1	648.8	..	251.2	415.9	667.1
Total	156.9	771.9	456.4	1385.2	165.0	529.7	441.3	1136.0	160.3	542.2	476.6	1179.2

1 Excluding R&D in the social sciences and humanities
2 Revised
3 UKAEA is now a public corporation and is no longer part of Department of Energy
n/a : not applicable

Source: Central Statistical Office

In Table 7 the totals of net expenditure on R&D are analysed according to the detailed European Community objectives for R&D ('NABS' in the French language acronym - see Annex). Among civil objectives, large increases are expected in R&D into exploration and exploitation of the Earth, protection and promotion of human health, and industrial production and productivity.

Table 8 sets out details of central government employment on R&D (excluding UKAEA) with separate figures for scientists and engineers, technicians and others. The residual group includes staff of the research establishments. Between 1987 and 1988 there was a small fall in total employment. In 1988 more than half were engaged on defence R&D. Numbers employed on social science R&D appear very small, but it should be noted that much of this work is in universities.

Annex: Definitions and sources

The R&D statistics in this article are based on definitions given in the Frascati Manual[1] published by the OECD for use by member states, and applied by other international agencies as a basis for such figures. According to this manual, the definition of R&D is:"..... creative work undertaken on a systematic basis in order to increase the stock of knowledge, including knowledge of man, culture and society, and the use of this stock of knowledge to devise new applications". This definition covers work on both science and technology and the social sciences and humanities. Sectors of the economy are defined in a Central Statistical Office publication *"Research and Development Expenditure and Employment"*[2]. Central government is defined as the government sector of national accounts[3] for the relevant periods. Thus it includes the research councils and, up to 1985, UKAEA which became a public corporation in 1986.

Table 7

Net central government expenditure on R&D: analysis by European Community objectives for R&D spending

£ million

	Outturn		Estimate	
	1986/87 [1]	1987/88	1988/89	1989/90
Exploration and exploitation of Earth				
Total	79.8	85.2	101.3	135.7
General research	68.3	73.9	89.3	..
Earth's main crust and mantle excluding sea bed	0.3	1.5	1.6	..
Atmosphere	6.3	4.5	4.1	..
Other	4.9	5.4	6.2	..
Infrastructure and general planning of land-use				
Total	65.5	66.8	69.6	73.4
Construction and planning of buildings	26.9	22.0	21.5	..
Transport systems	14.2	14.5	15.2	..
Civil engineering	10.8	13.9	14.9	..
Other	13.6	16.4	18.0	..
Control of environmental pollution				
Total	48.8	56.1	59.0	65.0
General research	3.8	10.5	11.2	..
Water pollution	6.0	5.8	7.2	..
Atmospheric pollution	9.6	8.0	10.0	..
Radioactive pollution	22.7	23.1	20.8	..
Other scientific research on pollution	6.8	8.8	9.9	..
Protection and promotion of human health				
Total	190.0	203.9	223.4	259.6
General research	161.5	175.1	189.7	..
Biomedical engineering and medicines	6.4	5.1	5.2	..
Nutrition and food hygiene	7.2	7.9	8.7	..
Other	14.9	15.8	19.8	..
Production, distribution and rational utilisation of energy				
Total	187.6	170.4	189.5	168.7
Nuclear fission	135.6	113.6	127.6	..
Nuclear fusion	18.9	20.6	24.7	..
Renewable energy sources	13.2	16.6	18.0	..
Other	19.9	19.5	19.2	..
Agricultural production and technology				
Total	198.1	196.1	214.2	224.5
General research	19.3	34.1	22.0	..
Animal products	40.5	22.4	35.7	..
Fishing and fish farming	9.5	10.0	10.7	..
Crops	87.1	85.4	95.1	..
Other	41.7	44.2	50.7	..
Industrial production and technology				
Total	443.6	411.8	388.6	500.3
General research	164.8	264.9	243.0	..
Manufacturing/processing techniques, materials	30.1	8.3	8.7	..
Manufacture of motor vehicles/other transport	138.0	105.4	103.5	..
Electrical and electronic engineering	63.7	3.0	3.4	..
Other	47.0	30.2	30.0	..
Social structure and relationships				
Total	62.3	70.5	101.9	116.3
Education and training	36.8	44.2	73.0	..
Other research with regard to society	25.5	26.2	28.9	..
Exploration and exploitation of space	123.9	129.2	148.6	140.7
Research financed from general university funds	720.0	760.0	770.0	780.0
Non-oriented research				
Total	196.7	219.5	224.7	230.1
Mathematics and natural sciences	110.7	132.0	137.5	..
Engineering sciences	7.2	7.3	7.8	..
Social science and humanities	8.4	9.0	0.1	..
Other	66.5	71.2	79.2	..
Other civil research	14.2	13.6	13.0	15.6
Defence	2258.6	2232.1	2356.6	2428.9
TOTAL ALL OBJECTIVES	4585.3	4615.7	4860.9	5138.9

Note: Expenditure under any one objective may be the addition of R&D for more than one programme.
1 Revised

Source; Central Statistical Office

Table 8

Central government employment on research and development - average for the year

Thousands

	1987					1988				
	Science and technology					Science and technology				
	Scientists and engineers	Technicians	Other[1]	Social science	Total	Scientists and engineers	Technicians	Other[1]	Social science	Total
Civil departments										
Agriculture, Fisheries and Food	0.8	0.5	0.6	..	1.9	0.8	0.4	0.6	..	1.8
Education and Science	..	..	..	0.0	0.0	..	..	..	0.0	0.0
Energy	0.0	..	0.0	..	0.1	0.0	..	0.0	..	0.1
Environment	0.4	0.2	0.3	0.0	0.9	0.4	0.2	0.3	0.0	0.9
Overseas Development	0.2	0.1	0.1	0.0	0.3	0.1	0.0	0.1	0.0	0.2
Health and Social Security[2]	..	..	..	..	..	..	..	..	..	..
Health and Safety	0.1	0.0	0.0	..	0.1	0.1	0.0	0.0	..	0.1
Home Office	0.2	0.0	0.0	0.0	0.3	0.1	0.0	0.0	0.0	0.3
Trade and Industry	0.6	0.2	0.4	..	1.2	0.6	0.1	0.5	..	1.2
Transport	0.3	0.0	0.3	0.0	0.7	0.3	0.0	0.3	0.0	0.7
Northern Ireland Departments	0.1	0.2	0.2	0.0	0.5	0.1	0.2	0.2	0.0	0.5
Scottish Departments	0.1	0.1	0.1	0.0	0.4	0.1	0.1	0.1	0.0	0.4
Welsh Departments	..	..	..	0.0	0.0	..	..	..	0.0	0.0
Employment	..	..	..	0.0	0.0	..	..	..	0.1	0.1
Manpower Services Commission	..	..	..	0.0	0.0	..	..	..	0.1	0.1
Other Departments	0.4	0.2	0.4	0.1	1.1	0.3	0.2	0.5	0.1	1.1
Total civil departments	3.2	1.4	2.6	0.3	7.5	3.0	1.3	2.6	0.4	7.4
Research councils										
Agricultural and Food	2.4	1.1	1.8	..	5.3	2.3	1.0	1.5	..	4.8
Medical	1.5	1.0	1.1	..	3.6	1.5	1.0	1.1	..	3.6
Natural Environment	1.3	0.1	1.0	..	2.5	1.2	0.1	1.2	..	2.5
Science and Engineering	1.1	0.2	1.5	..	2.8	1.1	0.2	1.4	..	2.7
Economic and Social	..	..	..	0.1	0.1	..	..	..	0.1	0.1
Total Research councils	6.3	2.4	5.4	0.1	14.3	6.1	2.3	5.3	8.1	13.7
University Grants Committee	..	..	..	..	..	..	..	..	..	..
Total civil	9.5	3.8	8.0	0.4	21.8	9.1	3.6	7.9	0.5	21.1
Defence	4.9	3.9	14.0	0.1	22.9	5.0	3.9	13.7	0.1	22.7
Total employed on R&D in science and technology	14.4	7.7	22.0	..	44.1	14.1	7.5	21.6	..	43.2
Total employed on social science research	0.3	0.0	0.2	0.5	0.5	0.4	0.0	0.2	0.6	0.6
Total employment on R&D	14.7	7.7	22.2	0.5	44.6	14.4	7.5	21.9	0.6	43.8

1 Including administrative staff.
2 Excluding hospital staff.
3 From 1986/87 staff of grant-aided institutes were reported and costed as AFRC employees.

Source: Central Statistical Office

Sources

Of the two annual surveys of R&D statistics, one is addressed to all government departments, the other to a selection of the larger enterprise groups performing R&D in industry. These industrial surveys are linked to large scale surveys every four years; the most recent was for 1985. These benchmark surveys collect more detailed information, published in Business Monitor M014, available from HMSO. For example, the latest M014 includes 1985 data on intramural R&D spending as proportions of sales, net output and value added in various industries. Corresponding information is not available for later years, as it has not been collected in the same detail.

The Annual Review of Government Funded R&D is particularly concerned with government surveys.

Objectives

The objectives for R&D expenditure defined by the European Community are referred to as 'NABS' - the French acronym for 'Nomenclature for the analysis and comparison of science programmes and budgets'.

Rounding

Throughout these tables, components of totals have been rounded independently of the totals. Therefore the rounded totals will not always be equal to the sums of the rounded components. In the tables, '0.0' means less than 0.05 and '..' means zero.

Revisions

Some figures have been revised in the light of later information.

References

1 *The Measurement of Scientific and Technical Activities (The Frascati Manual)* OECD, Paris, 1981, available from HMSO.

2 Studies in Official Statistics No 27, *Research and Development Expenditure and Employment*, CSO. HMSO. £2, ISBN 0116301392.

3 *United Kingdom National Accounts*, 1989 edition. The CSO Blue Book. £11.95, ISBN 0116201927

Index of sources

United Kingdom balance of payments: National income and expenditure. In addition to the series indexed below, further detailed statistics are included in the regular quarterly articles (see inside back cover).

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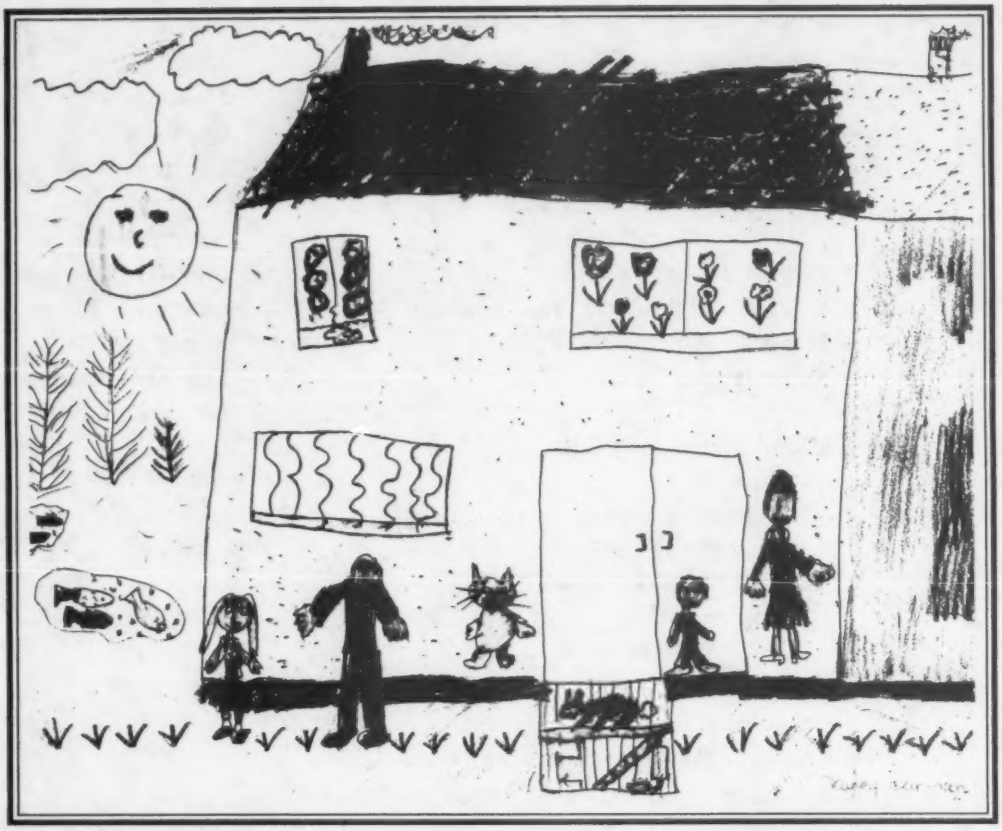

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